



LIFE, AND ACCIDENT AND HEALTH COMPANIES/FRATERNAL BENEFIT SOCIETIES - ASSOCIATION EDITION

ANNUAL STATEMENT  
FOR THE YEAR ENDED DECEMBER 31, 2019  
OF THE CONDITION AND AFFAIRS OF THE

Golden Rule Insurance Company

NAIC Group Code07070707NAIC Company Code62286Employer's ID Number37-6028756

Organized under the Laws ofIndianaState of Domicile or Port of EntryIN

Country of DomicileUnited States of America

Licensed as business type:Life, Accident and Health [ X ] Fraternal Benefit Societies [ ]

Incorporated/Organized06/17/1959Commenced Business06/23/1961

Statutory Home Office7440 Woodland DriveIndianapolis, IN, US 46278

Main Administrative Office7440 Woodland DriveIndianapolis, IN, US 46278317-290-8100

Mail Address7440 Woodland DriveIndianapolis, IN, US 46278

Primary Location of Books and Records7440 Woodland DriveIndianapolis, IN, US 46278317-290-8100

Internet Website Addressgoldenrule.com

Statutory Statement ContactStephen Jack Wells608-783-8610

OFFICERS

President, Chief Executive Officer, ChairPatrick Francis CarrVice President, Chief Financial OfficerJeremy Michael Schoettie

Vice President, SecretaryRichard Charles SullivanTreasurerPeter Marshall Gill

OTHER

Nyle Brent Cottingham, Vice PresidentJohn Frederick Frank, Vice PresidentJames Mark Gabriel, Senior Vice President

Heather Anastasia Lang, Assistant SecretaryJames Elmer Prochnow, Vice PresidentJessica Leigh Zuba #, Assistant Secretary

DIRECTORS OR TRUSTEES

Patrick Francis CarrJohn Frederick FrankJames Mark Gabriel

Jeremy Michael SchoettieRichard Charles Sullivan

State ofIndianaSS:

County ofMarion

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

Patrick Francis CarrRichard Charles SullivanJeremy Michael Schoettie

President, Chief Executive Officer, ChairVice President, SecretaryVice President, Chief Financial Officer

Subscribed and sworn to before me this22 day ofJanuary 2020

Margaret McCotter

- a. Is this an original filing? Yes [ X ] No [ ]
- b. If no,
1. State the amendment number.....
2. Date filed .....
3. Number of pages attached.....



ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Golden Rule Insurance Company

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D) .....	434,692,004	0	434,692,004	370,302,383
2. Stocks (Schedule D):				
2.1 Preferred stocks .....	0	0	0	0
2.2 Common stocks .....	0	0	0	0
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens .....	0	0	0	0
3.2 Other than first liens .....	0	0	0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ .....0 encumbrances) .....	2,102,171	0	2,102,171	2,232,016
4.2 Properties held for the production of income (less \$ .....0 encumbrances) .....	0	0	0	0
4.3 Properties held for sale (less \$ .....0 encumbrances) .....	0	0	0	0
5. Cash (\$ .....(1,102,739) , Schedule E - Part 1), cash equivalents (\$ .....4,756,846 , Schedule E - Part 2) and short-term investments (\$ .....92,515,265 , Schedule DA) .....	96,169,372	0	96,169,372	85,950,443
6. Contract loans (including \$ .....0 premium notes) .....	0	0	0	0
7. Derivatives (Schedule DB) .....	0	0	0	0
8. Other invested assets (Schedule BA) .....	9,597,212	0	9,597,212	11,616,984
9. Receivables for securities .....	0	0	0	0
10. Securities lending reinvested collateral assets (Schedule DL) .....	0	0	0	0
11. Aggregate write-ins for invested assets .....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	542,560,759	0	542,560,759	470,101,826
13. Title plants less \$ .....0 charged off (for Title insurers only) .....	0	0	0	0
14. Investment income due and accrued .....	3,070,135	0	3,070,135	2,694,340
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....	11,541,024	31,335	11,509,689	11,396,805
15.2 Deferred premiums and agents' balances and installments booked but deferred and not yet due (including \$ .....0 earned but unbilled premiums) .....	0	0	0	0
15.3 Accrued retrospective premiums (\$ .....0 ) and contracts subject to redetermination (\$ .....0 ) .....	0	0	0	27,402
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers .....	0	0	0	9,273
16.2 Funds held by or deposited with reinsured companies .....	0	0	0	0
16.3 Other amounts receivable under reinsurance contracts .....	519,163	0	519,163	528,110
17. Amounts receivable relating to uninsured plans .....	0	0	0	0
18.1 Current federal and foreign income tax recoverable and interest thereon .....	10,582,310	0	10,582,310	10,528,229
18.2 Net deferred tax asset .....	19,146,536	8,585,656	10,560,880	13,274,780
19. Guaranty funds receivable or on deposit .....	6,405,034	0	6,405,034	5,803,039
20. Electronic data processing equipment and software .....	0	0	0	0
21. Furniture and equipment, including health care delivery assets (\$ .....0 ) .....	0	0	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates .....	0	0	0	0
23. Receivables from parent, subsidiaries and affiliates .....	0	0	0	1,487,932
24. Health care (\$ .....8,083,992 ) and other amounts receivable .....	10,499,648	2,415,656	8,083,992	6,554,702
25. Aggregate write-ins for other than invested assets .....	18,254,535	17,230,148	1,024,387	203,890
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	622,579,144	28,262,795	594,316,349	522,610,328
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....	0	0	0	0
28. Total (Lines 26 and 27) .....	622,579,144	28,262,795	594,316,349	522,610,328
DETAILS OF WRITE-INS				
1101. ....				
1102. ....				
1103. ....				
1198. Summary of remaining write-ins for Line 11 from overflow page .....	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above) .....	0	0	0	0
2501. Advances and Prepaids .....	17,230,148	17,230,148	0	0
2502. State Taxes Receivable .....	1,024,387	0	1,024,387	203,890
2503. ....				
2598. Summary of remaining write-ins for Line 25 from overflow page .....	0	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above) .....	18,254,535	17,230,148	1,024,387	203,890

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Golden Rule Insurance Company

LIABILITIES, SURPLUS AND OTHER FUNDS

	1	2
	Current Year	Prior Year
1. Aggregate reserve for life contracts \$ ..... 275,236 (Exh. 5, Line 9999999) less \$ ..... 0 included in Line 6.3 (including \$ ..... 0 Modco Reserve) .....	275,236	179,295
2. Aggregate reserve for accident and health contracts (including \$ ..... 0 Modco Reserve) .....	64,449,607	63,882,188
3. Liability for deposit-type contracts (Exhibit 7, Line 14, Col. 1) (including \$ ..... 0 Modco Reserve) .....	0	0
4. Contract claims:		
4.1 Life (Exhibit 8, Part 1, Line 4.4, Col. 1 less sum of Cols. 9, 10 and 11) .....	949,613	1,135,273
4.2 Accident and health (Exhibit 8, Part 1, Line 4.4, sum of Cols. 9, 10 and 11) .....	177,042,616	130,268,028
5. Policyholders' dividends/refunds to members \$ ..... 0 and coupons \$ ..... 0 due and unpaid (Exhibit 4, Line 10) .....	0	0
6. Provision for policyholders' dividends, refunds to members and coupons payable in following calendar year - estimated amounts:		
6.1 Policyholders' dividends and refunds to members apportioned for payment (including \$ ..... 0 Modco) .....	0	0
6.2 Policyholders' dividends and refunds to members not yet apportioned (including \$ ..... 0 Modco) .....	0	0
6.3 Coupons and similar benefits (including \$ ..... 0 Modco) .....	0	0
7. Amount provisionally held for deferred dividend policies not included in Line 6 .....	0	0
8. Premiums and annuity considerations for life and accident and health contracts received in advance less \$ ..... 0 discount; including \$ ..... 23,439,149 accident and health premiums (Exhibit 1, Part 1, Col. 1, sum of lines 4 and 14) .....	23,451,598	23,390,858
9. Contract liabilities not included elsewhere:		
9.1 Surrender values on canceled contracts .....	0	0
9.2 Provision for experience rating refunds, including the liability of \$ ..... 1,462,635 accident and health experience rating refunds of which \$ ..... 1,286,635 is for medical loss ratio rebate per the Public Health Service Act .....	1,462,635	2,469,557
9.3 Other amounts payable on reinsurance, including \$ ..... 0 assumed and \$ ..... 0 ceded .....	0	0
9.4 Interest maintenance reserve (IMR, Line 6) .....	3,796,153	4,154,859
10. Commissions to agents due or accrued-life and annuity contracts \$ ..... 65,297 accident and health \$ ..... 9,459,682 and deposit-type contract funds \$ ..... 0 .....	9,524,979	8,384,779
11. Commissions and expense allowances payable on reinsurance assumed .....	0	0
12. General expenses due or accrued (Exhibit 2, Line 12, Col. 7) .....	4,360,123	2,968,991
13. Transfers to Separate Accounts due or accrued (net) (including \$ ..... 0 accrued for expense allowances recognized in reserves, net of reinsured allowances) .....	0	0
14. Taxes, licenses and fees due or accrued, excluding federal income taxes (Exhibit 3, Line 9, Col. 6) .....	17,086,508	14,153,656
15.1 Current federal and foreign income taxes, including \$ ..... 0 on realized capital gains (losses) .....	0	0
15.2 Net deferred tax liability .....	0	0
16. Unearned investment income .....	0	0
17. Amounts withheld or retained by reporting entity as agent or trustee .....	42,024	37,712
18. Amounts held for agents' account, including \$ ..... 0 agents' credit balances .....	0	0
19. Remittances and items not allocated .....	414,504	1,272,198
20. Net adjustment in assets and liabilities due to foreign exchange rates .....	0	0
21. Liability for benefits for employees and agents if not included above .....	0	0
22. Borrowed money \$ ..... 0 and interest thereon \$ ..... 0 .....	0	0
23. Dividends to stockholders declared and unpaid .....	0	0
24. Miscellaneous liabilities:		
24.01 Asset valuation reserve (AVR, Line 16, Col. 7) .....	1,592,963	1,453,281
24.02 Reinsurance in unauthorized and certified (\$ ..... 0 ) companies .....	0	0
24.03 Funds held under reinsurance treaties with unauthorized and certified (\$ ..... 0 ) reinsurers .....	0	0
24.04 Payable to parent, subsidiaries and affiliates .....	1,055,298	0
24.05 Drafts outstanding .....	26,448,397	24,669,160
24.06 Liability for amounts held under uninsured plans .....	0	0
24.07 Funds held under coinsurance .....	0	0
24.08 Derivatives .....	0	0
24.09 Payable for securities .....	0	0
24.10 Payable for securities lending .....	0	0
24.11 Capital notes \$ ..... 0 and interest thereon \$ ..... 0 .....	0	0
25. Aggregate write-ins for liabilities .....	3,356,747	2,156,348
26. Total liabilities excluding Separate Accounts business (Lines 1 to 25) .....	335,309,001	280,576,183
27. From Separate Accounts Statement .....	0	0
28. Total liabilities (Lines 26 and 27) .....	335,309,001	280,576,183
29. Common capital stock .....	3,262,704	3,262,704
30. Preferred capital stock .....	0	0
31. Aggregate write-ins for other than special surplus funds .....	0	0
32. Surplus notes .....	0	0
33. Gross paid in and contributed surplus (Page 3, Line 33, Col. 2 plus Page 4, Line 51.1, Col. 1) .....	14,162,016	14,162,016
34. Aggregate write-ins for special surplus funds .....	30,644,811	8,546,155
35. Unassigned funds (surplus) .....	210,937,817	216,063,270
36. Less treasury stock, at cost:		
36.1 ..... 0 shares common (value included in Line 29 \$ ..... 0 ) .....	0	0
36.2 ..... 0 shares preferred (value included in Line 30 \$ ..... 0 ) .....	0	0
37. Surplus (Total Lines 31+32+33+34+35-36) (including \$ ..... 0 in Separate Accounts Statement) .....	255,744,644	238,771,441
38. Totals of Lines 29, 30 and 37 (Page 4, Line 55) .....	259,007,348	242,034,145
39. Totals of Lines 28 and 38 (Page 2, Line 28, Col. 3) .....	594,316,349	522,610,328
DETAILS OF WRITE-INS		
2501. Accrued Cost of Claims Savings .....	1,298,740	360,654
2502. Association Group Escrow Account .....	768,553	670,944
2503. Miscellaneous Liabilities .....	1,249,454	1,049,750
2598. Summary of remaining write-ins for Line 25 from overflow page .....	40,000	75,000
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above) .....	3,356,747	2,156,348
3101. ....		
3102. ....		
3103. ....		
3198. Summary of remaining write-ins for Line 31 from overflow page .....	0	0
3199. Totals (Lines 3101 thru 3103 plus 3198)(Line 31 above) .....	0	0
3401. Surplus Relief Related to Reinsurance .....	6,746,967	8,546,155
3402. Section 9010 ACA Subsequent Fee Year Assessment .....	23,897,844	0
3403. ....		
3498. Summary of remaining write-ins for Line 34 from overflow page .....	0	0
3499. Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above) .....	30,644,811	8,546,155

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Golden Rule Insurance Company

SUMMARY OF OPERATIONS

	1 Current Year	2 Prior Year
1. Premiums and annuity considerations for life and accident and health contracts (Exhibit 1, Part 1, Line 20.4, Col. 1, less Col. 11) .....	1,470,025,066	1,264,008,561
2. Considerations for supplementary contracts with life contingencies .....	0	0
3. Net investment income (Exhibit of Net Investment Income, Line 17) .....	11,748,421	9,197,673
4. Amortization of Interest Maintenance Reserve (IMR, Line 5) .....	1,344,266	1,700,827
5. Separate Accounts net gain from operations excluding unrealized gains or losses .....	0	0
6. Commissions and expense allowances on reinsurance ceded (Exhibit 1, Part 2, Line 26.1, Col. 1) .....	2,675,426	2,751,280
7. Reserve adjustments on reinsurance ceded .....	0	0
8. Miscellaneous Income:		
8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts .....	0	0
8.2 Charges and fees for deposit-type contracts .....	0	0
8.3 Aggregate write-ins for miscellaneous income .....	3,529,199	870,779
9. Total (Lines 1 to 8.3) .....	1,489,322,378	1,278,529,120
10. Death benefits .....	802,934	752,976
11. Matured endowments (excluding guaranteed annual pure endowments) .....	0	0
12. Annuity benefits (Exhibit 8, Part 2, Line 6.4, Cols. 4 + 8) .....	0	0
13. Disability benefits and benefits under accident and health contracts .....	915,873,066	823,948,747
14. Coupons, guaranteed annual pure endowments and similar benefits .....	0	0
15. Surrender benefits and withdrawals for life contracts .....	0	0
16. Group conversions .....	0	0
17. Interest and adjustments on contract or deposit-type contract funds .....	0	0
18. Payments on supplementary contracts with life contingencies .....	0	0
19. Increase in aggregate reserves for life and accident and health contracts .....	(1,219,205)	2,404,569
20. Totals (Lines 10 to 19) .....	915,456,795	827,106,292
21. Commissions on premiums, annuity considerations, and deposit-type contract funds (direct business only) (Exhibit 1, Part 2, Line 31, Col. 1) .....	143,565,202	87,561,663
22. Commissions and expense allowances on reinsurance assumed (Exhibit 1, Part 2, Line 26.2, Col. 1) .....	0	0
23. General insurance expenses and fraternal expenses (Exhibit 2, Line 10, Cols. 1, 2, 3, 4 and 6) .....	197,419,207	142,351,597
24. Insurance taxes, licenses and fees, excluding federal income taxes (Exhibit 3, Line 7, Cols. 1 + 2 + 3 + 5) .....	34,637,040	52,287,524
25. Increase in loading on deferred and uncollected premiums .....	0	0
26. Net transfers to or (from) Separate Accounts net of reinsurance .....	0	0
27. Aggregate write-ins for deductions .....	(14,073)	5,370
28. Totals (Lines 20 to 27) .....	1,291,064,171	1,109,312,446
29. Net gain from operations before dividends to policyholders, refunds to members and federal income taxes (Line 9 minus Line 28) .....	198,258,207	169,216,674
30. Dividends to policyholders and refunds to members .....	0	0
31. Net gain from operations after dividends to policyholders, refunds to members and before federal income taxes (Line 29 minus Line 30) .....	198,258,207	169,216,674
32. Federal and foreign income taxes incurred (excluding tax on capital gains) .....	41,552,564	39,172,246
33. Net gain from operations after dividends to policyholders, refunds to members and federal income taxes and before realized capital gains or (losses) (Line 31 minus Line 32) .....	156,705,643	130,044,428
34. Net realized capital gains (losses) (excluding gains (losses) transferred to the IMR) less capital gains tax of \$ .....10,774 (excluding taxes of \$ .....261,983 transferred to the IMR) .....	(58,100)	526,938
35. Net income (Line 33 plus Line 34) .....	156,647,543	130,571,366
CAPITAL AND SURPLUS ACCOUNT		
36. Capital and surplus, December 31, prior year (Page 3, Line 38, Col. 2) .....	242,034,145	198,627,101
37. Net income (Line 35) .....	156,647,543	130,571,366
38. Change in net unrealized capital gains (losses) less capital gains tax of \$ .....0 .....	0	0
39. Change in net unrealized foreign exchange capital gain (loss) .....	0	0
40. Change in net deferred income tax .....	4,165,675	2,303,026
41. Change in nonadmitted assets .....	(11,901,146)	(5,706,445)
42. Change in liability for reinsurance in unauthorized and certified companies .....	0	0
43. Change in reserve on account of change in valuation basis, (increase) or decrease .....	0	0
44. Change in asset valuation reserve .....	(139,681)	38,287
45. Change in treasury stock (Page 3, Lines 36.1 and 36.2, Col. 2 minus Col. 1) .....	0	0
46. Surplus (contributed to) withdrawn from Separate Accounts during period .....	0	0
47. Other changes in surplus in Separate Accounts Statement .....	0	0
48. Change in surplus notes .....	0	0
49. Cumulative effect of changes in accounting principles .....	0	0
50. Capital changes:		
50.1 Paid in .....	0	0
50.2 Transferred from surplus (Stock Dividend) .....	0	0
50.3 Transferred to surplus .....	0	0
51. Surplus adjustment:		
51.1 Paid in .....	0	0
51.2 Transferred to capital (Stock Dividend) .....	0	0
51.3 Transferred from capital .....	0	0
51.4 Change in surplus as a result of reinsurance .....	(1,799,188)	(1,799,190)
52. Dividends to stockholders .....	(130,000,000)	(82,000,000)
53. Aggregate write-ins for gains and losses in surplus .....	0	0
54. Net change in capital and surplus for the year (Lines 37 through 53) .....	16,973,203	43,407,044
55. Capital and surplus, December 31, current year (Lines 36 + 54) (Page 3, Line 38) .....	259,007,348	242,034,145
DETAILS OF WRITE-INS		
08.301. Policyholder Fees .....	84,848	96,272
08.302. Other Income .....	3,444,351	774,507
08.303. ....		
08.398. Summary of remaining write-ins for Line 8.3 from overflow page .....	0	0
08.399. Totals (Lines 08.301 thru 08.303 plus 08.398)(Line 8.3 above) .....	3,529,199	870,779
2701. Fines and Penalties .....	(14,073)	5,370
2702. ....		
2703. ....		
2798. Summary of remaining write-ins for Line 27 from overflow page .....	0	0
2799. Totals (Lines 2701 thru 2703 plus 2798)(Line 27 above) .....	(14,073)	5,370
5301. ....		
5302. ....		
5303. ....		
5398. Summary of remaining write-ins for Line 53 from overflow page .....	0	0
5399. Totals (Lines 5301 thru 5303 plus 5398)(Line 53 above) .....	0	0

CASH FLOW

	1	2
	Current Year	Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance .....	1,470,877,199	1,272,645,703
2. Net investment income .....	15,288,365	13,926,856
3. Miscellaneous income .....	3,529,197	870,780
4. Total (Lines 1 through 3) .....	1,489,694,761	1,287,443,339
5. Benefit and loss related payments .....	876,029,807	834,425,765
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts .....	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions .....	370,645,713	299,300,386
8. Dividends paid to policyholders .....	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ .....0 tax on capital gains (losses) .....	41,879,401	17,615,381
10. Total (Lines 5 through 9) .....	1,288,554,921	1,151,341,532
11. Net cash from operations (Line 4 minus Line 10) .....	201,139,840	136,101,807
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds .....	169,244,223	114,775,805
12.2 Stocks .....	0	0
12.3 Mortgage loans .....	0	0
12.4 Real estate .....	0	617,751
12.5 Other invested assets .....	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments .....	0	0
12.7 Miscellaneous proceeds .....	0	0
12.8 Total investment proceeds (Lines 12.1 to 12.7) .....	169,244,223	115,393,556
13. Cost of investments acquired (long-term only):		
13.1 Bonds .....	234,845,432	121,232,726
13.2 Stocks .....	0	0
13.3 Mortgage loans .....	0	0
13.4 Real estate .....	0	0
13.5 Other invested assets .....	0	0
13.6 Miscellaneous applications .....	0	2,421,604
13.7 Total investments acquired (Lines 13.1 to 13.6) .....	234,845,432	123,654,330
14. Net increase (decrease) in contract loans and premium notes .....	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14) .....	(65,601,209)	(8,260,774)
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes .....	0	0
16.2 Capital and paid in surplus, less treasury stock .....	0	0
16.3 Borrowed funds .....	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities .....	0	0
16.5 Dividends to stockholders .....	130,000,000	82,000,000
16.6 Other cash provided (applied) .....	4,680,298	2,531,724
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6) .....	(125,319,702)	(79,468,276)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) .....	10,218,929	48,372,757
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year .....	85,950,443	37,577,686
19.2 End of year (Line 18 plus Line 19.1) .....	96,169,372	85,950,443

Note: Supplemental disclosures of cash flow information for non-cash transactions:

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ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Golden Rule Insurance Company

**ANALYSIS OF OPERATIONS BY LINES OF BUSINESS - SUMMARY**

	1	2	3	4	5	6	7	8	9
	Total	Individual Life	Group Life	Individual Annuities	Group Annuities	Accident and Health	Fraternal	Other Lines of Business	YRT Mortality Risk Only
1. Premiums and annuity considerations for life and accident and health contracts .....	1,470,025,066	1,136,964	857,469	0	0	1,468,030,633	0	0	0
2. Considerations for supplementary contracts with life contingencies .....	0	XXX	XXX	0	0	XXX	XXX	0	XXX
3. Net investment income .....	11,748,422	8,564	6,458	0	0	11,733,400	0	0	0
4. Amortization of Interest Maintenance Reserve (IMR) .....	1,344,265	1,039	784	0	0	1,342,442	0	0	0
5. Separate Accounts net gain from operations excluding unrealized gains or losses .....	0	0	0	0	0	0	XXX	0	0
6. Commissions and expense allowances on reinsurance ceded .....	2,675,426	1,955,750	0	719,676	0	0	XXX	0	0
7. Reserve adjustments on reinsurance ceded .....	0	0	0	0	0	0	XXX	0	0
8. Miscellaneous Income:									
8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts .....	0	0	0	0	0	0	XXX	0	0
8.2 Charges and fees for deposit-type contracts .....	0	0	0	0	0	XXX	XXX	0	0
8.3 Aggregate write-ins for miscellaneous income .....	3,529,199	66	50	0	0	3,529,083	0	0	0
9. Totals (Lines 1 to 8.3) .....	1,489,322,378	3,102,383	864,761	719,676	0	1,484,635,558	0	0	0
10. Death benefits .....	802,933	94,675	708,258	0	0	XXX	XXX	0	0
11. Matured endowments (excluding guaranteed annual pure endowments) .....	0	0	0	0	0	XXX	XXX	0	0
12. Annuity benefits .....	0	XXX	XXX	0	0	XXX	XXX	0	XXX
13. Disability benefits and benefits under accident and health contracts .....	915,873,066	0	0	0	0	915,873,066	XXX	0	0
14. Coupons, guaranteed annual pure endowments and similar benefits .....	0	0	0	0	0	0	XXX	0	0
15. Surrender benefits and withdrawals for life contracts .....	0	0	0	0	0	XXX	XXX	0	0
16. Group conversions .....	0	0	0	0	0	0	XXX	0	0
17. Interest and adjustments on contract or deposit-type contract funds .....	0	0	0	0	0	0	XXX	0	0
18. Payments on supplementary contracts with life contingencies .....	0	0	0	0	0	XXX	XXX	0	0
19. Increase in aggregate reserves for life and accident and health contracts .....	(1,219,204)	101,741	(5,799)	0	0	(1,315,146)	XXX	0	0
20. Totals (Lines 10 to 19) .....	915,456,795	196,416	702,459	0	0	914,557,920	XXX	0	0
21. Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only) .....	143,565,202	999,697	89,110	0	0	142,476,395	0	0	XXX
22. Commissions and expense allowances on reinsurance assumed .....	0	0	0	0	0	0	XXX	0	0
23. General insurance expenses and fraternal expenses .....	197,419,207	146,058	105,214	0	0	197,167,935	0	0	0
24. Insurance taxes, licenses and fees, excluding federal income taxes .....	34,637,040	8,722	4,992	217	0	34,623,109	0	0	0
25. Increase in loading on deferred and uncollected premiums .....	0	0	0	0	0	0	XXX	0	0
26. Net transfers to or (from) Separate Accounts net of reinsurance .....	0	0	0	0	0	0	XXX	0	0
27. Aggregate write-ins for deductions .....	(14,073)	0	880	0	0	(14,953)	0	0	0
28. Totals (Lines 20 to 27) .....	1,291,064,171	1,350,893	902,655	217	0	1,288,810,406	0	0	0
29. Net gain from operations before dividends to policyholders, refunds to members and federal income taxes (Line 9 minus Line 28) .....	198,258,207	1,751,490	(37,894)	719,459	0	195,825,152	0	0	0
30. Dividends to policyholders and refunds to members .....	0	0	0	0	0	0	XXX	0	0
31. Net gain from operations after dividends to policyholders, refunds to members and before federal income taxes (Line 29 minus Line 30) .....	198,258,207	1,751,490	(37,894)	719,459	0	195,825,152	0	0	0
32. Federal income taxes incurred (excluding tax on capital gains) .....	41,552,564	(37,395)	(6,820)	(40)	0	41,596,819	0	0	0
33. Net gain from operations after dividends to policyholders, refunds to members and federal income taxes and before realized capital gains or (losses) (Line 31 minus Line 32) .....	156,705,643	1,788,885	(31,074)	719,499	0	154,228,333	0	0	0
34. Policies/certificates in force end of year .....	669,173	5,141	2,785	0	0	661,247	XXX	0	0
DETAILS OF WRITE-INS									
08.301. Other Income .....	3,444,351	0	0	0	0	3,444,351	0	0	0
08.302. Policyholder Fees .....	84,848	66	50	0	0	84,732	0	0	0
08.303. ....									
08.398. Summary of remaining write-ins for Line 8.3 from overflow page .....	0	0	0	0	0	0	0	0	0
08.399. Totals (Lines 08.301 thru 08.303 plus 08.398) (Line 8.3 above) .....	3,529,199	66	50	0	0	3,529,083	0	0	0
2701. Fines & Penalties .....	(14,073)	0	880	0	0	(14,953)	0	0	0
2702. ....									
2703. ....									
2798. Summary of remaining write-ins for Line 27 from overflow page .....	0	0	0	0	0	0	0	0	0
2799. Totals (Lines 2701 thru 2703 plus 2798) (Line 27 above) .....	(14,073)	0	880	0	0	(14,953)	0	0	0

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Golden Rule Insurance Company

**ANALYSIS OF OPERATIONS BY LINES OF BUSINESS - INDIVIDUAL LIFE INSURANCE (b)**

	1	2	3	4	5	6	7	8	9	10	11	12
	Total	Industrial Life	Whole Life	Term Life	Indexed Life	Universal Life	Universal Life With Secondary Guarantees	Variable Life	Variable Universal Life	Credit Life (c)	Other Individual Life	YRT Mortality Risk Only
1. Premiums for life contracts (a) .....	1,136,964	0	0	1,136,964	0	0	0	0	0	0	0	0
2. Considerations for supplementary contracts with life contingencies .....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
3. Net investment income .....	8,564	0	0	2,326	0	0	0	0	0	0	6,238	0
4. Amortization of Interest Maintenance Reserve (IMR) .....	1,039	0	0	282	0	0	0	0	0	0	757	0
5. Separate Accounts net gain from operations excluding unrealized gains or losses .....	0	0	0	0	0	0	0	0	0	0	0	0
6. Commissions and expense allowances on reinsurance ceded .....	1,955,750	0	0	(195,457)	0	0	0	0	0	0	2,151,207	0
7. Reserve adjustments on reinsurance ceded .....	0	0	0	0	0	0	0	0	0	0	0	0
8. Miscellaneous Income:												
8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts .....	0	0	0	0	0	0	0	0	0	0	0	0
8.2 Charges and fees for deposit-type contracts .....	0	0	0	0	0	0	0	0	0	0	0	0
8.3 Aggregate write-ins for miscellaneous income .....	66	0	0	66	0	0	0	0	0	0	0	0
9. Totals (Lines 1 to 8.3) .....	3,102,383	0	0	944,181	0	0	0	0	0	0	2,158,202	0
10. Death benefits .....	94,675	0	0	94,675	0	0	0	0	0	0	0	0
11. Matured endowments (excluding guaranteed annual pure endowments) .....	0	0	0	0	0	0	0	0	0	0	0	0
12. Annuity benefits .....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
13. Disability benefits and benefits under accident and health contracts .....	0	0	0	0	0	0	0	0	0	0	0	0
14. Coupons, guaranteed annual pure endowments and similar benefits .....	0	0	0	0	0	0	0	0	0	0	0	0
15. Surrender benefits and withdrawals for life contracts .....	0	0	0	0	0	0	0	0	0	0	0	0
16. Group conversions .....	0	0	0	0	0	0	0	0	0	0	0	0
17. Interest and adjustments on contract or deposit-type contract funds .....	0	0	0	0	0	0	0	0	0	0	0	0
18. Payments on supplementary contracts with life contingencies .....	0	0	0	0	0	0	0	0	0	0	0	0
19. Increase in aggregate reserves for life and accident and health contracts .....	101,741	0	0	101,741	0	0	0	0	0	0	0	0
20. Totals (Lines 10 to 19) .....	196,416	0	0	196,416	0	0	0	0	0	0	0	0
21. Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only) .....	999,697	0	0	123,459	0	0	0	0	0	0	876,238	XXX
22. Commissions and expense allowances on reinsurance assumed .....	0	0	0	0	0	0	0	0	0	0	0	0
23. General insurance expenses .....	146,058	0	0	142,877	0	0	0	0	0	0	3,181	0
24. Insurance taxes, licenses and fees, excluding federal income taxes .....	8,722	0	0	5,695	0	0	0	0	0	0	3,027	0
25. Increase in loading on deferred and uncollected premiums .....	0	0	0	0	0	0	0	0	0	0	0	0
26. Net transfers to or (from) Separate Accounts net of reinsurance .....	0	0	0	0	0	0	0	0	0	0	0	0
27. Aggregate write-ins for deductions .....	0	0	0	0	0	0	0	0	0	0	0	0
28. Totals (Lines 20 to 27) .....	1,350,893	0	0	468,447	0	0	0	0	0	0	882,446	0
29. Net gain from operations before dividends to policyholders, refunds to members and federal income taxes (Line 9 minus Line 28) .....	1,751,490	0	0	475,734	0	0	0	0	0	0	1,275,756	0
30. Dividends to policyholders and refunds to members .....	0	0	0	0	0	0	0	0	0	0	0	0
31. Net gain from operations after dividends to policyholders, refunds to members and before federal income taxes (Line 29 minus Line 30) .....	1,751,490	0	0	475,734	0	0	0	0	0	0	1,275,756	0
32. Federal income taxes incurred (excluding tax on capital gains) .....	(37,395)	0	0	(10,156)	0	0	0	0	0	0	(27,239)	0
33. Net gain from operations after dividends to policyholders, refunds to members and federal income taxes and before realized capital gains or (losses) (Line 31 minus Line 32) .....	1,788,885	0	0	485,890	0	0	0	0	0	0	1,302,995	0
34. Policies/certificates in force end of year .....	5,141	0	0	5,141	0	0	0	0	0	0	0	0
<b>DETAILS OF WRITE-INS</b>												
08.301. Policyholder Fees .....	66	0	0	66	0	0	0	0	0	0	0	0
08.302. ....												
08.303. ....												
08.398. Summary of remaining write-ins for Line 8.3 from overflow page .....	0	0	0	0	0	0	0	0	0	0	0	0
08.399. Totals (Lines 08.301 thru 08.303 plus 08.398) (Line 8.3 above) .....	66	0	0	66	0	0	0	0	0	0	0	0
2701. ....												
2702. ....												
2703. ....												
2798. Summary of remaining write-ins for Line 27 from overflow page .....	0	0	0	0	0	0	0	0	0	0	0	0
2799. Totals (Lines 2701 thru 2703 plus 2798) (Line 27 above) .....	0	0	0	0	0	0	0	0	0	0	0	0

(a) Include premium amounts for preneed plans included in Line 1 .....0

(b) Indicate if blocks of business in run-off that comprise less than 5% of premiums and less than 5% of reserve and loans liability are aggregated with material blocks of business and which columns are affected. ....

(c) Individual and Group Credit Life are combined and included on ..... page. (Indicate whether included with Individual or Group.)

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Golden Rule Insurance Company  
**ANALYSIS OF OPERATIONS BY LINES OF BUSINESS - GROUP LIFE INSURANCE (c)**

	1	2	3	4	5	6	7	8	9
	Total	Whole Life	Term Life	Universal Life	Variable Life	Variable Universal Life	Credit Life (d)	Other Group Life (a)	YRT Mortality Risk Only
1. Premiums for life contracts <sup>(b)</sup> .....	857,469	.0	857,469	.0	.0	.0	.0	.0	.0
2. Considerations for supplementary contracts with life contingencies .....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
3. Net investment income .....	6,458	.0	6,458	.0	.0	.0	.0	.0	.0
4. Amortization of Interest Maintenance Reserve (IMR) .....	784	.0	784	.0	.0	.0	.0	.0	.0
5. Separate Accounts net gain from operations excluding unrealized gains or losses .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
6. Commissions and expense allowances on reinsurance ceded .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
7. Reserve adjustments on reinsurance ceded .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
8. Miscellaneous Income:									
8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
8.2 Charges and fees for deposit-type contracts .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
8.3 Aggregate write-ins for miscellaneous income .....	50	0	50	0	0	0	0	0	0
9. Totals (Lines 1 to 8.3) .....	864,761	0	864,761	0	0	0	0	0	0
10. Death benefits .....	708,258	.0	708,258	.0	.0	.0	.0	.0	.0
11. Matured endowments (excluding guaranteed annual pure endowments) .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
12. Annuity benefits .....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
13. Disability benefits and benefits under accident and health contracts .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
14. Coupons, guaranteed annual pure endowments and similar benefits .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
15. Surrender benefits and withdrawals for life contracts .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
16. Group conversions .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
17. Interest and adjustments on contract or deposit-type contract funds .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
18. Payments on supplementary contracts with life contingencies .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
19. Increase in aggregate reserves for life and accident and health contracts .....	(5,799)	.0	(5,799)	.0	.0	.0	.0	.0	.0
20. Totals (Lines 10 to 19) .....	702,459	.0	702,459	.0	.0	.0	.0	.0	.0
21. Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only) .....	89,110	.0	89,110	.0	.0	.0	.0	.0	XXX
22. Commissions and expense allowances on reinsurance assumed .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
23. General insurance expenses .....	105,214	.0	105,214	.0	.0	.0	.0	.0	.0
24. Insurance taxes, licenses and fees, excluding federal income taxes .....	4,992	.0	4,992	.0	.0	.0	.0	.0	.0
25. Increase in loading on deferred and uncollected premiums .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
26. Net transfers to or (from) Separate Accounts net of reinsurance .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
27. Aggregate write-ins for deductions .....	880	0	880	0	0	0	0	0	0
28. Totals (Lines 20 to 27) .....	902,655	0	902,655	0	0	0	0	0	0
29. Net gain from operations before dividends to policyholders, refunds to members and federal income taxes (Line 9 minus Line 28) .....	(37,894)	.0	(37,894)	.0	.0	.0	.0	.0	.0
30. Dividends to policyholders and refunds to members .....	0	0	0	0	0	0	0	0	0
31. Net gain from operations after dividends to policyholders, refunds to members and before federal income taxes (Line 29 minus Line 30) .....	(37,894)	.0	(37,894)	.0	.0	.0	.0	.0	.0
32. Federal income taxes incurred (excluding tax on capital gains) .....	(6,820)	0	(6,820)	0	0	0	0	0	0
33. Net gain from operations after dividends to policyholders, refunds to members and federal income taxes and before realized capital gains or (losses) (Line 31 minus Line 32) .....	(31,074)	0	(31,074)	0	0	0	0	0	0
34. Policies/certificates in force end of year .....	2,785	0	2,785	0	0	0	0	0	0
<b>DETAILS OF WRITE-INS</b>									
08.301. Policyholder Fees .....	50	.0	50	.0	.0	.0	.0	.0	.0
08.302. ....									
08.303. ....									
08.398. Summary of remaining write-ins for Line 8.3 from overflow page .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
08.399. Totals (Lines 08.301 thru 08.303 plus 08.398) (Line 8.3 above) .....	50	0	50	0	0	0	0	0	0
2701. Fines & Penalties .....	880	.0	880	.0	.0	.0	.0	.0	.0
2702. ....									
2703. ....									
2798. Summary of remaining write-ins for Line 27 from overflow page .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
2799. Totals (Lines 2701 thru 2703 plus 2798) (Line 27 above) .....	880	0	880	0	0	0	0	0	0

(a) Includes the following amounts for FEGLI/SGLI: Line 1 .0 , Line 10 .0 , Line 16 .0 , Line 23 .0 , Line 24 .0

(b) Include premium amounts for preneed plans included in Line 1 .0

(c) Indicate if blocks of business in run-off that comprise less than 5% of premiums and less than 5% of reserve and loans liability are aggregated with material blocks of business and which columns are affected. ....

(d) Individual and Group Credit Life are combined and included on ..... page. (Indicate whether included with Individual or Group.)

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Golden Rule Insurance Company

**ANALYSIS OF OPERATIONS BY LINES OF BUSINESS - INDIVIDUAL ANNUITIES (a)**

	1  Total	Deferred				6  Life Contingent Payout (Immediate and Annuitizations)	7  Other Annuities
		2  Fixed Annuities	3  Indexed Annuities	4  Variable Annuities with Guarantees	5  Variable Annuities Without Guarantees		
1. Premiums for individual annuity contracts .....	0	0	0	0	0	0	0
2. Considerations for supplementary contracts with life contingencies .....	0	XXX	XXX	XXX	XXX	0	XXX
3. Net investment income .....	0	0	0	0	0	0	0
4. Amortization of Interest Maintenance Reserve (IMR) .....	0	0	0	0	0	0	0
5. Separate Accounts net gain from operations excluding unrealized gains or losses .....	0	0	0	0	0	0	0
6. Commissions and expense allowances on reinsurance ceded .....	719,676	719,676	0	0	0	0	0
7. Reserve adjustments on reinsurance ceded .....	0	0	0	0	0	0	0
8. Miscellaneous Income:							
8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts .....	0	0	0	0	0	0	0
8.2 Charges and fees for deposit-type contracts .....	0	0	0	0	0	0	0
8.3 Aggregate write-ins for miscellaneous income .....	0	0	0	0	0	0	0
9. Totals (Lines 1 to 8.3) .....	719,676	719,676	0	0	0	0	0
10. Death benefits .....	0	0	0	0	0	0	0
11. Matured endowments (excluding guaranteed annual pure endowments) .....	0	0	0	0	0	0	0
12. Annuity benefits .....	0	0	0	0	0	0	0
13. Disability benefits and benefits under accident and health contracts .....	0	0	0	0	0	0	0
14. Coupons, guaranteed annual pure endowments and similar benefits .....	0	0	0	0	0	0	0
15. Surrender benefits and withdrawals for life contracts .....	0	0	0	0	0	0	0
16. Group conversions .....	0	0	0	0	0	0	0
17. Interest and adjustments on contract or deposit-type contract funds .....	0	0	0	0	0	0	0
18. Payments on supplementary contracts with life contingencies .....	0	0	0	0	0	0	0
19. Increase in aggregate reserves for life and accident and health contracts .....	0	0	0	0	0	0	0
20. Totals (Lines 10 to 19) .....	0	0	0	0	0	0	0
21. Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only) .....	0	0	0	0	0	0	0
22. Commissions and expense allowances on reinsurance assumed .....	0	0	0	0	0	0	0
23. General insurance expenses .....	0	0	0	0	0	0	0
24. Insurance taxes, licenses and fees, excluding federal income taxes .....	217	217	0	0	0	0	0
25. Increase in loading on deferred and uncollected premiums .....	0	0	0	0	0	0	0
26. Net transfers to or (from) Separate Accounts net of reinsurance .....	0	0	0	0	0	0	0
27. Aggregate write-ins for deductions .....	0	0	0	0	0	0	0
28. Totals (Lines 20 to 27) .....	217	217	0	0	0	0	0
29. Net gain from operations before dividends to policyholders, refunds to members and federal income taxes (Line 9 minus Line 28) .....	719,459	719,459	0	0	0	0	0
30. Dividends to policyholders and refunds to members .....	0	0	0	0	0	0	0
31. Net gain from operations after dividends to policyholders, refunds to members and before federal income taxes (Line 29 minus Line 30) .....	719,459	719,459	0	0	0	0	0
32. Federal income taxes incurred (excluding tax on capital gains) .....	(40)	(40)	0	0	0	0	0
33. Net gain from operations after dividends to policyholders, refunds to members and federal income taxes and before realized capital gains or (losses) (Line 31 minus Line 32) .....	719,499	719,499	0	0	0	0	0
34. Policies/certificates in force end of year .....	0	0	0	0	0	0	0
<b>DETAILS OF WRITE-INS</b>							
08.301. ....							
08.302. ....							
08.303. ....							
08.398. Summary of remaining write-ins for Line 8.3 from overflow page .....	0	0	0	0	0	0	0
08.399. Totals (Lines 08.301 thru 08.303 plus 08.398) (Line 8.3 above) .....	0	0	0	0	0	0	0
2701. ....							
2702. ....							
2703. ....							
2798. Summary of remaining write-ins for Line 27 from overflow page .....	0	0	0	0	0	0	0
2799. Totals (Lines 2701 thru 2703 plus 2798) (Line 27 above) .....	0	0	0	0	0	0	0

(a) Indicate if blocks of business in run-off that comprise less than 5% of premiums and less than 5% of reserve and loans liability are aggregated with material blocks of business and which columns are affected. ....

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Golden Rule Insurance Company  
ANALYSIS OF OPERATIONS BY LINES OF BUSINESS - GROUP ANNUITIES (a)

	1  Total	Deferred				6  Life Contingent Payout (Immediate and Annuitizations)	7  Other Annuities
		2  Fixed Annuities	3  Indexed Annuities	4  Variable Annuities with Guarantees	5  Variable Annuities Without Guarantees		
1. Premiums for group annuity contracts .....							
2. Considerations for supplementary contracts with life contingencies .....		XXX	XXX	XXX	XXX		XXX
3. Net investment income .....							
4. Amortization of Interest Maintenance Reserve (IMR) .....							
5. Separate Accounts net gain from operations excluding unrealized gains or losses .....							
6. Commissions and expense allowances on reinsurance ceded .....							
7. Reserve adjustments on reinsurance ceded .....							
8. Miscellaneous Income:							
8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts .....							
8.2 Charges and fees for deposit-type contracts .....							
8.3 Aggregate write-ins for miscellaneous income .....							
9. Totals (Lines 1 to 8.3) .....							
10. Death benefits .....							
11. Matured endowments (excluding guaranteed annual pure endowments) .....							
12. Annuity benefits .....							
13. Disability benefits and benefits under accident and health contracts .....							
14. Coupons, guaranteed annual pure endowments and similar benefits .....							
15. Surrender benefits and withdrawals for life contracts .....							
16. Group conversions .....							
17. Interest and adjustments on contract or deposit-type contract funds .....							
18. Payments on supplementary contracts with life contingencies .....							
19. Increase in aggregate reserves for life and accident and health contracts .....							
20. Totals (Lines 10 to 19) .....							
21. Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only) .....							
22. Commissions and expense allowances on reinsurance assumed .....							
23. General insurance expenses .....							
24. Insurance taxes, licenses and fees, excluding federal income taxes .....							
25. Increase in loading on deferred and uncollected premiums .....							
26. Net transfers to or (from) Separate Accounts net of reinsurance .....							
27. Aggregate write-ins for deductions .....							
28. Totals (Lines 20 to 27) .....							
29. Net gain from operations before dividends to policyholders, refunds to members and federal income taxes (Line 9 minus Line 28) .....							
30. Dividends to policyholders and refunds to members .....							
31. Net gain from operations after dividends to policyholders, refunds to members and before federal income taxes (Line 29 minus Line 30) .....							
32. Federal income taxes incurred (excluding tax on capital gains) .....							
33. Net gain from operations after dividends to policyholders, refunds to members and federal income taxes and before realized capital gains or (losses) (Line 31 minus Line 32) .....							
34. Policies/certificates in force end of year .....							
DETAILS OF WRITE-INS							
08.301. ....							
08.302. ....							
08.303. ....							
08.398. Summary of remaining write-ins for Line 8.3 from overflow page .....							
08.399. Totals (Lines 08.301 thru 08.303 plus 08.398) (Line 8.3 above) .....							
2701. ....							
2702. ....							
2703. ....							
2798. Summary of remaining write-ins for Line 27 from overflow page .....							
2799. Totals (Lines 2701 thru 2703 plus 2798) (Line 27 above) .....							

(a) Indicate if blocks of business in run-off that comprise less than 5% of premiums and less than 5% of reserve and loans liability are aggregated with material blocks of business and which columns are affected. ....

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Golden Rule Insurance Company

**ANALYSIS OF OPERATIONS BY LINES OF BUSINESS - ACCIDENT AND HEALTH (a)**

	1	Comprehensive		4	5	6	7	8	9	10	11	12	13
		2	3										
	Total	Individual	Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Credit A&H	Disability Income	Long-Term Care	Other Health
1. Premiums for accident and health contracts .....	1,468,030,633	33,708,063	733,522,757	16,806,616	17,961,679	82,872,526	0	0	0	0	115,125	0	583,043,867
2. Considerations for supplementary contracts with life contingencies .....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
3. Net investment income .....	11,733,400	269,415	5,862,763	134,329	143,561	662,368	0	0	0	0	920	0	4,660,044
4. Amortization of Interest Maintenance Reserve (IMR) .....	1,342,442	30,824	670,771	15,369	16,425	75,783	0	0	0	0	105	0	533,165
5. Separate Accounts net gain from operations excluding unrealized gains or losses .....	0	0	0	0	0	0	0	0	0	0	0	0	0
6. Commissions and expense allowances on reinsurance ceded .....	0	0	0	0	0	0	0	0	0	0	0	0	0
7. Reserve adjustments on reinsurance ceded .....	0	0	0	0	0	0	0	0	0	0	0	0	0
8. Miscellaneous Income:													
8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts .....	0	0	0	0	0	0	0	0	0	0	0	0	0
8.2 Charges and fees for deposit-type contracts .....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
8.3 Aggregate write-ins for miscellaneous income .....	3,529,083	81,033	1,763,357	40,402	43,179	199,222	0	0	0	0	277	0	1,401,613
9. Totals (Lines 1 to 8.3) .....	1,484,635,558	34,089,335	741,819,648	16,996,716	18,164,844	83,809,899	0	0	0	0	116,427	0	589,638,688
10. Death benefits .....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
11. Matured endowments (excluding guaranteed annual pure endowments) .....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
12. Annuity benefits .....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
13. Disability benefits and benefits under accident and health contracts .....	915,873,066	31,311,160	564,827,393	11,148,279	10,015,392	44,789,293	0	0	0	0	(78)	0	253,781,627
14. Coupons, guaranteed annual pure endowments and similar benefits .....	0	0	0	0	0	0	0	0	0	0	0	0	0
15. Surrender benefits and withdrawals for life contracts .....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
16. Group conversions .....	0	0	0	0	0	0	0	0	0	0	0	0	0
17. Interest and adjustments on contract or deposit-type contract funds .....	0	0	0	0	0	0	0	0	0	0	0	0	0
18. Payments on supplementary contracts with life contingencies .....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
19. Increase in aggregate reserves for life and accident and health contracts .....	(1,315,146)	(169,245)	(3,099,194)	(1,879,918)	110,674	(825,834)	0	0	0	0	(18)	0	4,548,389
20. Totals (Lines 10 to 19) .....	914,557,920	31,141,915	561,728,199	9,268,361	10,126,067	43,963,459	0	0	0	0	(96)	0	258,330,016
21. Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only) .....	142,476,395	445,965	5,121,301	551,640	1,583,614	9,954,732	0	0	0	0	11,941	0	124,807,202
22. Commissions and expense allowances on reinsurance assumed .....	0	0	0	0	0	0	0	0	0	0	0	0	0
23. General insurance expensess .....	197,167,935	4,761,791	96,711,894	2,115,151	3,439,535	15,471,865	0	0	0	0	14,130	0	74,653,568
24. Insurance taxes, licenses and fees, excluding federal income taxes .....	34,623,109	641,052	11,841,900	1,013,348	328,857	1,517,842	0	0	0	0	2,122	0	19,277,988
25. Increase in loading on deferred and uncollected premiums .....	0	0	0	0	0	0	0	0	0	0	0	0	0
26. Net transfers to or (from) Separate Accounts net of reinsurance .....	0	0	0	0	0	0	0	0	0	0	0	0	0
27. Aggregate write-ins for deductions .....	(14,953)	(361)	(7,284)	(180)	(192)	(888)	0	0	0	0	(1)	0	(6,046)
28. Totals (Lines 20 to 27) .....	1,288,810,406	36,990,362	675,396,010	12,948,320	15,477,880	70,907,010	0	0	0	0	28,096	0	477,062,728
29. Net gain from operations before dividends to policyholders, and refunds to members and federal income taxes (Line 9 minus Line 28) .....	195,825,152	(2,901,027)	66,423,639	4,048,396	2,686,964	12,902,889	0	0	0	0	88,331	0	112,575,960
30. Dividends to policyholders and refunds to members .....	0	0	0	0	0	0	0	0	0	0	0	0	0
31. Net gain from operations after dividends to policyholders, refunds to members and before federal income taxes (Line 29 minus Line 30) .....	195,825,152	(2,901,027)	66,423,639	4,048,396	2,686,964	12,902,889	0	0	0	0	88,331	0	112,575,960
32. Federal income taxes incurred (excluding tax on capital gains) .....	41,596,819	955,122	20,784,453	476,217	508,946	2,348,203	0	0	0	0	3,262	0	16,520,616
33. Net gain from operations after dividends to policyholders, refunds to members and federal income taxes and before realized capital gains or (losses) (Line 31 minus Line 32) .....	154,228,333	(3,856,149)	45,639,186	3,572,179	2,178,017	10,554,687	0	0	0	0	85,069	0	96,055,344
34. Policies/certificates in force end of year .....	661,247	3,857	83,795	5,021	118,757	163,535	144	0	0	0	0	0	286,138
<b>DETAILS OF WRITE-INS</b>													
08.301. Policyholder Fees .....	84,732	1,946	42,338	970	1,037	4,783	0	0	0	0	7	0	33,652
08.302. Other Income .....	3,444,351	79,087	1,721,020	39,432	42,142	194,439	0	0	0	0	270	0	1,367,960
08.303. ....													
08.398. Summary of remaining write-ins for Line 8.3 from overflow page .....	0	0	0	0	0	0	0	0	0	0	0	0	0
08.399. Totals (Lines 08.301 thru 08.303 plus 08.398) (Line 8.3 above) .....	3,529,083	81,033	1,763,357	40,402	43,179	199,222	0	0	0	0	277	0	1,401,613
2701. Fines & Penalties .....	(14,953)	(361)	(7,284)	(180)	(192)	(888)	0	0	0	0	(1)	0	(6,046)
2702. ....													
2703. ....													
2798. Summary of remaining write-ins for Line 27 from overflow page .....	0	0	0	0	0	0	0	0	0	0	0	0	0
2799. Totals (Lines 2701 thru 2703 plus 2798) (Line 27 above) .....	(14,953)	(361)	(7,284)	(180)	(192)	(888)	0	0	0	0	(1)	0	(6,046)

(a) Indicate if blocks of business in run-off that comprise less than 5% of premiums and less than 5% of reserve and loans liability are aggregated with material blocks of business and which columns are affected. ....

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Golden Rule Insurance Company

ANALYSIS OF INCREASE IN RESERVES DURING THE YEAR - INDIVIDUAL LIFE INSURANCE (a)

	1	2	3	4	5	6	7	8	9	10	11	12
	Total	Industrial Life	Whole Life	Term Life	Indexed Life	Universal Life	Universal Life With Secondary Guarantees	Variable Life	Variable Universal Life	Credit Life <sup>(b)</sup> (N/A Fraternal)	Other Individual Life	YRT Mortality Risk Only
Involving Life or Disability Contingencies (Reserves) (Net of Reinsurance Ceded)												
1. Reserve December 31 of prior year .....	142,545	0	0	142,545	0	0	0	0	0	0	0	0
2. Tabular net premiums or considerations .....	799,535	0	0	799,535	0	0	0	0	0	0	0	0
3. Present value of disability claims incurred .....	0	0	0	0	0	0	0	0	0	0	0	0
4. Tabular interest .....	18,125	0	0	18,125	0	0	0	0	0	0	0	0
5. Tabular less actual reserve released .....	0	0	0	0	0	0	0	0	0	0	0	0
6. Increase in reserve on account of change in valuation basis .....	0	0	0	0	0	0	0	0	0	0	0	0
6.1 Change in excess of VM-20 deterministic/stochastic reserve over net premium reserve .....	0	XXX	0	0	0	0	0	0	0	XXX	0	0
7. Other increases (net) .....	0	0	0	0	0	0	0	0	0	0	0	0
8. Totals (Lines 1 to 7) .....	960,205	0	0	960,205	0	0	0	0	0	0	0	0
9. Tabular cost .....	647,784	0	0	647,784	0	0	0	0	0	0	0	0
10. Reserves released by death .....	329	0	0	329	0	0	0	0	0	0	0	0
11. Reserves released by other terminations (net) .....	67,806	0	0	67,806	0	0	0	0	0	0	0	0
12. Annuity, supplementary contract and disability payments involving life contingencies .....	0	0	0	0	0	0	0	0	0	0	0	0
13. Net transfers to or (from) Separate Accounts .....	0	0	0	0	0	0	0	0	0	0	0	0
14. Total Deductions (Lines 9 to 13) .....	715,918	0	0	715,918	0	0	0	0	0	0	0	0
15. Reserve December 31 of current year .....	244,288	0	0	244,288	0	0	0	0	0	0	0	0
Cash Surrender Value and Policy Loans												
16. CSV Ending balance December 31, current year .....	0	0	0	0	0	0	0	0	0	0	0	0
17. Amount Available for Policy Loans Based upon Line 16 CSV .....	0	0	0	0	0	0	0	0	0	0	0	0

(a) Indicate if blocks of business in run-off that comprise less than 5% of premiums and less than 5% of reserve and loans liability are aggregated with material blocks of business and which columns are affected. ....

(b) Individual and Group Credit Life are combined and included on ..... page. (Indicate whether included with Individual or Group.)

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Golden Rule Insurance Company

**ANALYSIS OF INCREASE IN RESERVES DURING THE YEAR - GROUP LIFE INSURANCE <sup>(a)</sup>**

**(N/A Fraternal)**

	1	2	3	4	5	6	7	8	9
	Total	Whole Life	Term Life	Variable Life	Universal Life	Variable Universal Life	Credit Life <sup>(b)</sup>	Other Group Life	YRT Mortality Risk Only
<b>Involving Life or Disability Contingencies (Reserves)</b> (Net of Reinsurance Ceded)									
1. Reserve December 31 of prior year .....	36,750	0	36,750	0	0	0	0	0	0
2. Tabular net premiums or considerations .....	2,472,442	0	2,472,442	0	0	0	0	0	0
3. Present value of disability claims incurred .....	0	0	0	0	0	0	0	0	0
4. Tabular interest .....	37,907	0	37,907	0	0	0	0	0	0
5. Tabular less actual reserve released .....	0	0	0	0	0	0	0	0	0
6. Increase in reserve on account of change in valuation basis .....	0	0	0	0	0	0	0	0	0
7. Other increases (net) .....	0	0	0	0	0	0	0	0	0
8. Totals (Lines 1 to 7) .....	2,547,098	0	2,547,098	0	0	0	0	0	0
9. Tabular cost .....	2,516,150	0	2,516,150	0	0	0	0	0	0
10. Reserves released by death .....	0	0	0	0	0	0	0	0	0
11. Reserves released by other terminations (net) .....	0	0	0	0	0	0	0	0	0
12. Annuity, supplementary contract and disability payments involving life contingencies .....	0	0	0	0	0	0	0	0	0
13. Net transfers to or (from) Separate Accounts .....	0	0	0	0	0	0	0	0	0
14. Total Deductions (Lines 9 to 13) .....	2,516,150	0	2,516,150	0	0	0	0	0	0
15. Reserve December 31 of current year .....	30,948	0	30,948	0	0	0	0	0	0
<b>Cash Surrender Value and Policy Loans</b>									
16. CSV Ending balance December 31, current year .....	0	0	0	0	0	0	0	0	0
17. Amount Available for Policy Loans Based upon Line 16 CSV .....	0	0	0	0	0	0	0	0	0

(a) Indicate if blocks of business in run-off that comprise less than 5% of premiums and less than 5% of reserve and loans liability are aggregated with material blocks of business and which columns are affected. ....

(b) Individual and Group Credit Life are combined and included on ..... page. (Indicate whether included with Individual or Group.)

Analysis of Increase in Reserves During the Year - Individual Annuities

**N O N E**

Analysis of Increase in Reserves During the Year - Group Annuities

**N O N E**

EXHIBIT OF NET INVESTMENT INCOME

		1	2
		Collected During Year	Earned During Year
1.	U.S. Government bonds .....	(a) .....1,047,423	.....1,067,287
1.1	Bonds exempt from U.S. tax .....	(a) .....0	.....0
1.2	Other bonds (unaffiliated) .....	(a) .....8,826,760	.....9,194,544
1.3	Bonds of affiliates .....	(a) .....0	.....0
2.1	Preferred stocks (unaffiliated) .....	(b) .....0	.....0
2.11	Preferred stocks of affiliates .....	(b) .....0	.....0
2.2	Common stocks (unaffiliated) .....	.....0	.....0
2.21	Common stocks of affiliates .....	.....0	.....0
3.	Mortgage loans .....	(c) .....0	.....0
4.	Real estate .....	(d) .....676,662	.....676,662
5	Contract loans .....	.....0	.....0
6	Cash, cash equivalents and short-term investments .....	(e) .....4,044,728	.....4,037,227
7	Derivative instruments .....	(f) .....0	.....0
8.	Other invested assets .....	.....(2,019,772)	.....(2,019,772)
9.	Aggregate write-ins for investment income .....	.....16	.....16
10.	Total gross investment income .....	12,575,817	12,955,964
11.	Investment expenses .....		(g) .....1,123,535
12.	Investment taxes, licenses and fees, excluding federal income taxes .....		(g) .....0
13.	Interest expense .....		(h) .....1,489
14.	Depreciation on real estate and other invested assets .....		(i) .....82,519
15.	Aggregate write-ins for deductions from investment income .....		.....0
16.	Total deductions (Lines 11 through 15) .....		.....1,207,543
17.	Net investment income (Line 10 minus Line 16) .....		11,748,421
DETAILS OF WRITE-INS			
0901.	Miscellaneous Income .....	.....16	.....16
0902.	.....		
0903.	.....		
0998.	Summary of remaining write-ins for Line 9 from overflow page .....	.....0	.....0
0999.	Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above) .....	16	16
1501.	.....		
1502.	.....		
1503.	.....		
1598.	Summary of remaining write-ins for Line 15 from overflow page .....		.....0
1599.	Totals (Lines 1501 thru 1503 plus 1598) (Line 15, above) .....		0

- (a) Includes \$ .....335,403 accrual of discount less \$ .....2,794,518 amortization of premium and less \$ .....731,936 paid for accrued interest on purchases.
- (b) Includes \$ .....0 accrual of discount less \$ .....0 amortization of premium and less \$ .....0 paid for accrued dividends on purchases.
- (c) Includes \$ .....0 accrual of discount less \$ .....0 amortization of premium and less \$ .....0 paid for accrued interest on purchases.
- (d) Includes \$ .....676,662 for company's occupancy of its own buildings; and excludes \$ .....0 interest on encumbrances.
- (e) Includes \$ .....169,435 accrual of discount less \$ .....49,584 amortization of premium and less \$ .....49,961 paid for accrued interest on purchases.
- (f) Includes \$ .....0 accrual of discount less \$ .....0 amortization of premium.
- (g) Includes \$ .....0 investment expenses and \$ .....0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$ .....0 interest on surplus notes and \$ .....0 interest on capital notes.
- (i) Includes \$ .....0 depreciation on real estate and \$ .....0 depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

		1	2	3	4	5
		Realized Gain (Loss) On Sales or Maturity	Other Realized Adjustments	Total Realized Capital Gain (Loss) (Columns 1 + 2)	Change in Unrealized Capital Gain (Loss)	Change in Unrealized Foreign Exchange Capital Gain (Loss)
1.	U.S. Government bonds .....	68,903	0	68,903	0	0
1.1	Bonds exempt from U.S. tax .....	0	0	0	0	0
1.2	Other bonds (unaffiliated) .....	1,178,640	0	1,178,640	0	0
1.3	Bonds of affiliates .....	0	0	0	0	0
2.1	Preferred stocks (unaffiliated) .....	0	0	0	0	0
2.11	Preferred stocks of affiliates .....	0	0	0	0	0
2.2	Common stocks (unaffiliated) .....	0	0	0	0	0
2.21	Common stocks of affiliates .....	0	0	0	0	0
3.	Mortgage loans .....	0	0	0	0	0
4.	Real estate .....	0	(47,326)	(47,326)	0	0
5.	Contract loans .....	0	0	0	0	0
6.	Cash, cash equivalents and short-term investments .....	0	0	0	0	0
7.	Derivative instruments .....	0	0	0	0	0
8.	Other invested assets .....	0	0	0	0	0
9.	Aggregate write-ins for capital gains (losses) .....	0	0	0	0	0
10.	Total capital gains (losses) .....	1,247,543	(47,326)	1,200,217	0	0
DETAILS OF WRITE-INS						
0901.	.....					
0902.	.....					
0903.	.....					
0998.	Summary of remaining write-ins for Line 9 from overflow page .....	0	0	0	0	0
0999.	Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above) .....	0	0	0	0	0

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Golden Rule Insurance Company

**EXHIBIT - 1 PART 1 - PREMIUMS AND ANNUITY CONSIDERATIONS FOR LIFE AND ACCIDENT AND HEALTH CONTRACTS**

	Insurance											
	1	2	Ordinary		5	Group		Accident and Health			11	12
			3	4		6	7	8	9	10		
	Total	Industrial Life	Life Insurance	Individual Annuities	Credit Life (Group and Individual)	Life Insurance	Annuities	Group	Credit (Group and Individual)	Other	Aggregate of All Other Lines of Business	Fraternal (Fraternal Benefit Societies Only)
<b>FIRST YEAR (other than single)</b>												
1. Uncollected .....	3,760,773	0	9,444	0	0	0	0	1,565,218	0	2,186,111	0	0
2. Deferred and accrued .....	(1,980,897)	0	0	0	0	0	0	0	0	(1,980,897)	0	0
3. Deferred , accrued and uncollected:												
3.1 Direct .....	1,779,876	0	9,444	0	0	0	0	1,565,218	0	205,214	0	0
3.2 Reinsurance assumed .....	0	0	0	0	0	0	0	0	0	0	0	0
3.3 Reinsurance ceded .....	0	0	0	0	0	0	0	0	0	0	0	0
3.4 Net (Line 1 + Line 2) .....	1,779,876	0	9,444	0	0	0	0	1,565,218	0	205,214	0	0
4. Advance .....	13,911,541	0	2,426	0	0	0	0	10,086,030	0	3,823,085	0	0
5. Line 3.4 - Line 4 .....	(12,131,665)	0	7,018	0	0	0	0	(8,520,812)	0	(3,617,871)	0	0
6. Collected during year:												
6.1 Direct .....	566,186,097	0	584,612	0	0	2,394	0	300,289,781	0	265,309,310	0	0
6.2 Reinsurance assumed .....	0	0	0	0	0	0	0	0	0	0	0	0
6.3 Reinsurance ceded .....	(483)	0	(483)	0	0	0	0	0	0	0	0	0
6.4 Net .....	566,186,580	0	585,095	0	0	2,394	0	300,289,781	0	265,309,310	0	0
7. Line 5 + Line 6.4 .....	554,054,915	0	592,113	0	0	2,394	0	291,768,969	0	261,691,439	0	0
8. Prior year (uncollected + deferred and accrued - advance) ..	(10,605,002)	0	3,216	0	0	0	0	(9,458,450)	0	(1,149,768)	0	0
9. First year premiums and considerations:												
9.1 Direct .....	564,659,435	0	588,413	0	0	2,394	0	301,227,420	0	262,841,208	0	0
9.2 Reinsurance assumed .....	0	0	0	0	0	0	0	0	0	0	0	0
9.3 Reinsurance ceded .....	(483)	0	(483)	0	0	0	0	0	0	0	0	0
9.4 Net (Line 7 - Line 8) .....	564,659,918	0	588,896	0	0	2,394	0	301,227,420	0	262,841,208	0	0
<b>SINGLE</b>												
10. Single premiums and considerations:												
10.1 Direct .....	186,159	0	26,578	159,581	0	0	0	0	0	0	0	0
10.2 Reinsurance assumed .....	0	0	0	0	0	0	0	0	0	0	0	0
10.3 Reinsurance ceded .....	186,159	0	26,578	159,581	0	0	0	0	0	0	0	0
10.4 Net .....	0	0	0	0	0	0	0	0	0	0	0	0
<b>RENEWAL</b>												
11. Uncollected .....	7,780,251	0	6,826	0	0	5,392	0	6,391,777	0	1,376,256	0	0
12. Deferred and accrued .....	(1,642,925)	0	0	0	0	0	0	(6,504,779)	0	4,861,854	0	0
13. Deferred, accrued and uncollected:												
13.1 Direct .....	6,137,326	0	6,826	0	0	5,392	0	(113,002)	0	6,238,110	0	0
13.2 Reinsurance assumed .....	0	0	0	0	0	0	0	0	0	0	0	0
13.3 Reinsurance ceded .....	0	0	0	0	0	0	0	0	0	0	0	0
13.4 Net (Line 11 + Line 12) .....	6,137,326	0	6,826	0	0	5,392	0	(113,002)	0	6,238,110	0	0
14. Advance .....	9,540,057	0	3,225	0	0	6,798	0	7,827,167	0	1,702,867	0	0
15. Line 13.4 - Line 14 .....	(3,402,731)	0	3,601	0	0	(1,406)	0	(7,940,169)	0	4,535,243	0	0
16. Collected during year:												
16.1 Direct .....	926,691,167	0	21,520,735	1,028,114	0	855,485	0	740,278,913	0	163,007,920	0	0
16.2 Reinsurance assumed .....	0	0	0	0	0	0	0	0	0	0	0	0
16.3 Reinsurance ceded .....	22,000,549	0	20,972,435	1,028,114	0	0	0	0	0	0	0	0
16.4 Net .....	904,690,618	0	548,300	0	0	855,485	0	740,278,913	0	163,007,920	0	0
17. Line 15 + Line 16.4 .....	901,287,887	0	551,901	0	0	854,079	0	732,338,744	0	167,543,163	0	0
18. Prior year (uncollected + deferred and accrued - advance) ..	(4,077,259)	0	3,835	0	0	(995)	0	(8,860,180)	0	4,780,081	0	0
19. Renewal premiums and considerations:												
19.1 Direct .....	927,365,697	0	21,520,502	1,028,114	0	855,075	0	741,198,923	0	162,763,083	0	0
19.2 Reinsurance assumed .....	0	0	0	0	0	0	0	0	0	0	0	0
19.3 Reinsurance ceded .....	22,000,549	0	20,972,435	1,028,114	0	0	0	0	0	0	0	0
19.4 Net (Line 17 - Line 18) .....	905,365,148	0	548,067	0	0	855,075	0	741,198,923	0	162,763,083	0	0
<b>TOTAL</b>												
20. Total premiums and annuity considerations:												
20.1 Direct .....	1,492,211,291	0	22,135,493	1,187,695	0	857,469	0	1,042,426,343	0	425,604,291	0	0
20.2 Reinsurance assumed .....	0	0	0	0	0	0	0	0	0	0	0	0
20.3 Reinsurance ceded .....	22,186,225	0	20,998,530	1,187,695	0	0	0	0	0	0	0	0
20.4 Net (Lines 9.4 + 10.4 + 19.4) .....	1,470,025,066	0	1,136,963	0	0	857,469	0	1,042,426,343	0	425,604,291	0	0

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Golden Rule Insurance Company

EXHIBIT - 1 PART 2 - POLICYHOLDERS' DIVIDENDS, REFUNDS TO MEMBERS AND COUPONS APPLIED, REINSURANCE COMMISSIONS AND EXPENSE ALLOWANCES AND COMMISSIONS INCURRED (Direct Business Only)

	Insurance											
	1	2	Ordinary		5	Group		Accident and Health			11	12
			3	4		6	7	8	9	10		
	Total	Industrial Life	Life Insurance	Individual Annuities	Credit Life (Group and Individual)	Life Insurance	Annuities	Group	Credit (Group and Individual)	Other	Aggregate of All Other Lines of Business	Fraternal (Fraternal Benefit Societies Only)
POLICYHOLDERS' DIVIDENDS, REFUNDS TO MEMBERS AND COUPONS APPLIED (included in Part 1)												
21. To pay renewal premiums .....	0	0	0	0	0	0	0	0	0	0	0	0
22. All other .....	0	0	0	0	0	0	0	0	0	0	0	0
REINSURANCE COMMISSIONS AND EXPENSE ALLOWANCES INCURRED												
23. First year (other than single):												
23.1 Reinsurance ceded .....	0	0	0	0	0	0	0	0	0	0	0	0
23.2 Reinsurance assumed .....	0	0	0	0	0	0	0	0	0	0	0	0
23.3 Net ceded less assumed .....	0	0	0	0	0	0	0	0	0	0	0	0
24. Single:												
24.1 Reinsurance ceded .....	0	0	0	0	0	0	0	0	0	0	0	0
24.2 Reinsurance assumed .....	0	0	0	0	0	0	0	0	0	0	0	0
24.3 Net ceded less assumed .....	0	0	0	0	0	0	0	0	0	0	0	0
25. Renewal:												
25.1 Reinsurance ceded .....	2,675,426	0	1,955,750	719,676	0	0	0	0	0	0	0	0
25.2 Reinsurance assumed .....	0	0	0	0	0	0	0	0	0	0	0	0
25.3 Net ceded less assumed .....	2,675,426	0	1,955,750	719,676	0	0	0	0	0	0	0	0
26. Totals:												
26.1 Reinsurance ceded (Page 6, Line 6) .....	2,675,426	0	1,955,750	719,676	0	0	0	0	0	0	0	0
26.2 Reinsurance assumed (Page 6, Line 22) .....	0	0	0	0	0	0	0	0	0	0	0	0
26.3 Net ceded less assumed .....	2,675,426	0	1,955,750	719,676	0	0	0	0	0	0	0	0
COMMISSIONS INCURRED (direct business only)												
27. First year (other than single) .....	126,987,024	0	104,626	0	0	0	0	52,556,891	0	74,325,507	0	0
28. Single .....	0	0	0	0	0	0	0	0	0	0	0	0
29. Renewal .....	16,578,178	0	895,071	0	0	89,110	0	7,463,338	0	8,130,659	0	0
30. Deposit-type contract funds .....	0	0	0	0	0	0	0	0	0	0	0	0
31. Totals (to agree with Page 6, Line 21)	143,565,202	0	999,697	0	0	89,110	0	60,020,229	0	82,456,165	0	0

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Golden Rule Insurance Company

EXHIBIT 2 - GENERAL EXPENSES

		Insurance				5	6	7
		1	Accident and Health		4			
			2	3				
		Life	Cost Containment	All Other	All Other Lines of Business	Investment	Fraternal	Total
1.	Rent .....	7,217	648,964	4,890,078	.0	.0	.0	5,546,259
2.	Salaries and wages .....	118,420	10,649,026	82,486,200	.0	.0	.0	93,253,646
3.11	Contributions for benefit plans for employees .....	26,668	2,398,106	18,575,465	.0	.0	.0	21,000,239
3.12	Contributions for benefit plans for agents .....	.0	.0	.0	.0	.0	.0	.0
3.21	Payments to employees under non-funded benefit plans .....	571	51,392	398,075	.0	.0	.0	450,038
3.22	Payments to agents under non-funded benefit plans .....	.0	.0	.0	.0	.0	.0	.0
3.31	Other employee welfare .....	430	38,687	299,666	.0	.0	.0	338,783
3.32	Other agent welfare .....	.0	.0	.0	.0	.0	.0	.0
4.1	Legal fees and expenses .....	1,576	141,760	1,098,054	.0	.0	.0	1,241,390
4.2	Medical examination fees .....	15	1,333	10,329	.0	.0	.0	11,677
4.3	Inspection report fees .....	1	86	666	.0	.0	.0	753
4.4	Fees of public accountants and consulting actuaries .....	273	24,539	190,078	.0	.0	.0	214,890
4.5	Expense of investigation and settlement of policy claims .....	833	74,938	1,413,134	.0	.0	.0	1,488,905
5.1	Traveling expenses .....	3,551	319,338	2,473,557	.0	.0	.0	2,796,446
5.2	Advertising .....	7,927	712,808	5,521,333	.0	.0	.0	6,242,068
5.3	Postage, express, telegraph and telephone .....	6,415	576,858	4,468,278	.0	.0	.0	5,051,551
5.4	Printing and stationery .....	1,996	179,452	1,390,017	.0	.0	.0	1,571,465
5.5	Cost or depreciation of furniture and equipment .....	2,170	195,135	1,511,497	.0	.0	.0	1,708,802
5.6	Rental of equipment .....	444	39,920	309,212	.0	.0	.0	349,576
5.7	Cost or depreciation of EDP equipment and software .....	15,235	1,362,751	10,555,645	.0	.0	.0	11,933,631
6.1	Books and periodicals .....	158	14,210	110,072	.0	.0	.0	124,440
6.2	Bureau and association fees .....	195	17,525	135,751	.0	.0	.0	153,471
6.3	Insurance, except on real estate .....	1,695	152,436	1,180,751	.0	.0	.0	1,334,882
6.4	Miscellaneous losses .....	.0	.0	287,351	.0	.0	.0	287,351
6.5	Collection and bank service charges .....	725	65,171	8,051,245	.0	.0	.0	8,117,141
6.6	Sundry general expenses .....	7,076	636,349	4,976,963	.0	.0	.0	5,620,388
6.7	Group service and administration fees .....	7,477	.0	.0	.0	.0	.0	7,477
6.8	Reimbursements by uninsured plans .....	.0	.0	.0	.0	.0	.0	.0
7.1	Agency expense allowance .....	.0	.0	.0	.0	.0	.0	.0
7.2	Agents' balances charged off (less \$ _____ recovered) .....	.0	.0	.0	.0	.0	.0	.0
7.3	Agency conferences other than local meetings .....	.0	.0	.0	.0	.0	.0	.0
8.1	Official publication (Fraternal Benefit Societies Only) .....	XXX	XXX	XXX	XXX	XXX	.0	.0
8.2	Expense of supreme lodge meetings (Fraternal Benefit Societies Only) .....	XXX	XXX	XXX	XXX	XXX	.0	.0
9.1	Real estate expenses .....	.0	.0	.0	.0	814,836	.0	814,836
9.2	Investment expenses not included elsewhere .....	.0	.0	.0	.0	308,699	.0	308,699
9.3	Aggregate write-ins for expenses .....	40,209	6,146,284	22,387,444	.0	.0	.0	28,573,937
10.	General expenses incurred .....	251,277	24,447,068	172,720,861	.0	1,123,535	(b) .0	(a) 198,542,741
11.	General expenses unpaid Dec. 31, prior year .....	.0	162,278	2,725,637	.0	81,076	.0	2,988,991
12.	General expenses unpaid Dec. 31, current year .....	.0	556,097	3,693,460	.0	110,566	.0	4,360,123
13.	Amounts receivable relating to uninsured plans, prior year .....	.0	.0	.0	.0	.0	.0	.0
14.	Amounts receivable relating to uninsured plans, current year .....	.0	.0	.0	.0	.0	.0	.0
15.	General expenses paid during year (Lines 10+11-12-13+14) .....	251,277	24,053,249	171,753,038	.0	1,094,045	.0	197,151,609
DETAILS OF WRITE-INS								
09.301.	Information Technology .....	740	66,550	515,489	.0	.0	.0	582,779
09.302.	Interest .....	9,323	.0	873,128	.0	.0	.0	882,451
09.303.	Managed Care & Network Access .....	2,234	3,569,633	1,555,854	.0	.0	.0	5,127,721
09.398.	Summary of remaining write-ins for Line 9.3 from overflow page.....	27,912	2,510,101	19,442,973	.0	.0	.0	21,980,986
09.399.	Totals (Lines 09.301 thru 09.303 plus 09.398) (Line 9.3 above) .....	40,209	6,146,284	22,387,444	.0	.0	.0	28,573,937

(a) Includes management fees of \$ 179,474,421 to affiliates and \$ 0 to non-affiliates.  
(b) Show the distribution of this amount in the following categories (Fraternal Benefit Societies Only):  
1. Charitable \$ 0 ; 2. Institutional \$ 0 ; 3. Recreational and Health \$ 0 ; 4. Educational \$ 0  
5. Religious \$ 0 ; 6. Membership \$ 0 ; 7. Other \$ 0 ; 8. Total \$ 0

EXHIBIT 3 - TAXES, LICENSES AND FEES (EXCLUDING FEDERAL INCOME TAXES)

		Insurance			4	5	6
		1	2	3			
		Life	Accident and Health	All Other Lines of Business	Investment	Fraternal	Total
1.	Real estate taxes .....	438	322,617	.0	.0	.0	323,055
2.	State insurance department licenses and fees .....	48,533	3,112,867	.0	.0	.0	3,161,400
3.	State taxes on premiums .....	(43,736)	20,940,157	.0	.0	.0	20,896,421
4.	Other state taxes, including \$ .....0 for employee benefits .....	.0	3,820,834	.0	.0	.0	3,820,834
5.	U.S. Social Security taxes .....	8,694	6,398,543	.0	.0	.0	6,407,237
6.	All other taxes .....	0	28,092	0	0	0	28,092
7.	Taxes, licenses and fees incurred .....	13,929	34,623,110	.0	.0	.0	34,637,039
8.	Taxes, licenses and fees unpaid Dec. 31, prior year .....	.0	14,153,656	.0	.0	.0	14,153,656
9.	Taxes, licenses and fees unpaid Dec. 31, current year .....	0	17,086,508	0	0	0	17,086,508
10.	Taxes, licenses and fees paid during year (Lines 7 + 8 - 9) .....	13,929	31,690,258	0	0	0	31,704,187

EXHIBIT 4 - DIVIDENDS OR REFUNDS

	1	2
	Life	Accident and Health
1. Applied to pay renewal premiums .....		
2. Applied to shorten the endowment or premium-paying period .....		
3. Applied to provide paid-up additions .....		
4. Applied to provide paid-up annuities .....		
5. Total Lines 1 through 4 .....		
6. Paid in cash .....		
7. Left on deposit .....		
8. Aggregate write-ins for dividend or refund options .....		
9. Total Lines 5 through 8 .....		
10. Amount due and unpaid .....		
11. Provision for dividends or refunds payable in the following calendar year .....		
12. Terminal dividends .....		
13. Provision for deferred dividend contracts .....		
14. Amount provisionally held for deferred dividend contracts not included in Line 13 .....		
15. Total Lines 10 through 14 .....		
16. Total from prior year .....		
17. Total dividends or refunds (Lines 9 + 15 - 16) .....		
DETAILS OF WRITE-INS		
0801. ....		
0802. ....		
0803. ....		
0898. Summary of remaining write-ins for Line 8 from overflow page .....		
0899. Totals (Lines 0801 thru 0803 plus 0898) (Line 8 above) .....		

EXHIBIT 5 - AGGREGATE RESERVE FOR LIFE CONTRACTS

1	2	3	4	5	6
Valuation Standard	Total	Industrial	Ordinary	Credit (Group and Individual)	Group
0100001. A/E CRAIG 3% IS .....	606	0	606	0	0
0100002. A/E CRAIG 3 1/2% NL .....	953	0	953	0	0
0100003. 41 CSO 2 1/2 % NL .....	0	0	0	0	0
0100004. 41 CSO 3% NL .....	1,522	0	1,522	0	0
0100005. 41 CSO 3% CRVM .....	116,108	0	116,108	0	0
0100006. 41 CSO 3 1/2 % CRVM .....	5,417	0	5,417	0	0
0100007. 58 CSO ALB 3% NL .....	894	0	894	0	0
0100008. 58 CSO ALB 3% CRVM .....	1,583,265	0	1,583,265	0	0
0100009. 58 CSO ANB 3% NL .....	0	0	0	0	0
0100010. 58 CSO ANB 3 1/2% CRVM .....	52,610	0	52,610	0	0
0100011. 58 CSO ALB 3 1/2% CRVM .....	118,591	0	118,591	0	0
0100012. 58 CSO ALB 4 1/2% CRVM .....	16,681,184	0	16,681,184	0	0
0100013. 58 CSO ALB 4 1/2% NL .....	304	0	304	0	0
0100014. 58 CET ALB 3% NL .....	182,721	0	182,721	0	0
0100015. 58 CET ANB 3 1/2% NL .....	27,743	0	27,743	0	0
0100016. 58 CET ALB 4 1/2% NL .....	19,762	0	19,762	0	0
0100017. 80 CSO CRVM 4.50% .....	916,834,391	0	916,834,391	0	0
0100018. 80 CSO 4 1/2% CRVM .....	0	0	0	0	0
0100019. 80 CSO CRVM 5.00% .....	3,165,480	0	3,165,480	0	0
0100020. 80 CSO CRVM 5.50% .....	22,313,005	0	22,313,005	0	0
0100021. 130% 41 CSO 3% NL .....	0	0	0	0	0
0100022. 130% 41 CSO 3 1/2% NL .....	0	0	0	0	0
0100023. AM MEN 3% NL .....	0	0	0	0	0
0100024. UNEARNED PREMIUM RESERVE .....	170,116	0	139,167	0	30,948
0100025. 58 CSO ANB 3 1/2% LOSS ON INT .....	0	0	0	0	0
0100026. GROUP CONVERSIONS .....	0	0	0	0	0
0100027. 58 CSO SUBSTANDARD LIFE .....	0	0	0	0	0
0100028. 60 CSG 3% NL .....	0	0	0	0	0
0100029. 58 CSO ALB 3% NL GIO .....	0	0	0	0	0
0100030. 80 CSO CRVM 4.00% .....	191,719,819	0	191,719,819	0	0
0100031. 2001 CSO ALB .....	204,007	0	204,007	0	0
0199997. Totals (Gross) .....	1,153,198,498	0	1,153,167,549	0	30,948
0199998. Reinsurance ceded .....	1,152,923,262	0	1,152,923,262	0	0
0199999. Life Insurance: Totals (Net) .....	275,236	0	244,288	0	30,948
0200001. 37 STANDARD ANNUITY .....	0	XXX	0	XXX	0
0200002. 51 GA 3 1/2% PROJ SCALE C .....	0	XXX	0	XXX	0
0200003. 71 GAM 6% .....	66,085	XXX	0	XXX	66,085
0200004. 71 IAM 3 1/2% .....	0	XXX	0	XXX	0
0200005. 71 IAM 4.50% .....	10,410,828	XXX	10,410,828	XXX	0
0200006. 71 IAM 4.75% .....	8,932,247	XXX	8,932,247	XXX	0
0200007. 71 IAM 5.00% .....	6,831,676	XXX	6,831,676	XXX	0
0200008. 71 IAM 5.25% .....	13,249,666	XXX	13,249,666	XXX	0
0200009. 71 IAM 5.50% .....	21,806,216	XXX	21,806,216	XXX	0
0200010. 71 IAM 5.75% .....	13,706,800	XXX	13,706,800	XXX	0
0200011. 71 IAM 6.00% .....	10,539,691	XXX	10,539,691	XXX	0
0200012. 71 IAM 6.25% .....	20,872,602	XXX	20,872,602	XXX	0
0200013. 71 IAM 6.50% .....	5,650,221	XXX	5,650,221	XXX	0
0200014. 71 IAM 6.75% .....	25,987,474	XXX	25,987,474	XXX	0
0200015. 71 IAM 7.00% .....	6,833,928	XXX	6,833,928	XXX	0
0200016. 71 IAM 7.25% .....	5,675,736	XXX	5,675,736	XXX	0
0200017. 71 IAM 8.00% .....	4,382,959	XXX	4,382,959	XXX	0
0200018. 71 IAM 8.50% .....	9,468,220	XXX	9,468,220	XXX	0
0200019. 83 IAM 5.25% .....	5,578,784	XXX	5,578,784	XXX	0
0200020. 83 IAM 5.50% .....	3,691,022	XXX	3,691,022	XXX	0
0200021. 83 IAM 5.75% .....	7,326,988	XXX	7,326,988	XXX	0
0200022. 83 IAM 6.00% .....	1,738,023	XXX	1,738,023	XXX	0
0200023. 83 IAM 6.25% .....	579,196	XXX	579,196	XXX	0
0200024. A2000 4.50% .....	51,784,706	XXX	51,784,706	XXX	0
0200025. A2000 4.75% .....	77,389,214	XXX	77,389,214	XXX	0
0200026. A2000 5.00% .....	20,778,692	XXX	20,778,692	XXX	0
0200027. A2000 5.50% .....	15,762,894	XXX	15,762,894	XXX	0
0200028. UNEARNED PREMIUM RESERVE .....	0	XXX	0	XXX	0
0299997. Totals (Gross) .....	349,043,868	XXX	348,977,783	XXX	66,085
0299998. Reinsurance ceded .....	349,043,868	XXX	348,977,783	XXX	66,085
0299999. Annuities: Totals (Net) .....	0	XXX	0	XXX	0
0300001. 83 IAM 8.25% .....	0	0	0	0	0
0300002. 83 IAM 8.00% .....	0	0	0	0	0
0300003. 83 IAM 7.75% .....	0	0	0	0	0
0300004. 83 IAM 7.25% .....	0	0	0	0	0
0300005. 83 IAM 7.00% .....	211,587	0	211,587	0	0
0300006. 83 IAM 6.75% .....	346,785	0	346,785	0	0
0300007. 83 IAM 6.50% .....	110,223	0	110,223	0	0
0300008. 83 IAM 6.25% .....	78,014	0	78,014	0	0
0300009. 83 IAM 6.00% .....	29,422	0	29,422	0	0
0300010. 83 IAM 5.50% .....	156,765	0	156,765	0	0
0300011. 83 IAM 5.25% .....	178,774	0	178,774	0	0
0399997. Totals (Gross) .....	1,111,569	0	1,111,569	0	0
0399998. Reinsurance ceded .....	1,111,569	0	1,111,569	0	0
0399999. SCWLC: Totals (Net) .....	0	0	0	0	0
0400001. 59 ADB WITH 58 CSO 3% .....	337,119	0	337,119	0	0
0400002. 52 DB WITH 80 CSO 4 1/2% .....	0	0	0	0	0
0499997. Totals (Gross) .....	337,119	0	337,119	0	0
0499998. Reinsurance ceded .....	337,119	0	337,119	0	0
0499999. Accidental Death Benefits: Totals (Net) .....	0	0	0	0	0
0500001. 52 DB WITH 58 CSO 3% .....	367	0	367	0	0
0500002. 52 DB WITH 80 CSO 4 1/2% .....	543,566	0	543,566	0	0
0599997. Totals (Gross) .....	543,933	0	543,933	0	0
0599998. Reinsurance ceded .....	543,933	0	543,933	0	0
0599999. Disability-Active Lives: Totals (Net) .....	0	0	0	0	0
0600001. 52 DB WITH 58 CSO 3% .....	194,514	0	194,514	0	0
0600002. UNREPORTED CLAIMS .....	0	0	0	0	0

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EXHIBIT 5 - AGGREGATE RESERVE FOR LIFE CONTRACTS

1	2	3	4	5	6
Valuation Standard	Total	Industrial	Ordinary	Credit (Group and Individual)	Group
0600003. 52 DB w/80CS0 4.50% .....	16,403,712	0	16,403,712	0	0
0699997. Totals (Gross)	16,598,226	0	16,598,226	0	0
0699998. Reinsurance ceded	16,598,226	0	16,598,226	0	0
0699999. Disability-Disabled Lives: Totals (Net)	0	0	0	0	0
0700001. Deficiency .....	1,937,486	0	1,937,486	0	0
0700002. NDFP .....	0	0	0	0	0
0700003. IPC .....	0	0	0	0	0
0799997. Totals (Gross)	1,937,486	0	1,937,486	0	0
0799998. Reinsurance ceded	1,937,486	0	1,937,486	0	0
0799999. Miscellaneous Reserves: Totals (Net)	0	0	0	0	0
9999999. Totals (Net) - Page 3, Line 1	275,236	0	244,288	0	30,948

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Golden Rule Insurance Company

EXHIBIT 5 - INTERROGATORIES

1.1

Has the reporting entity ever issued both participating and non-participating contracts?

Yes [ X ] No [ ]

1.2

If not, state which kind is issued.

2.1

Does the reporting entity at present issue both participating and non-participating contracts?

Yes [ ] No [ X ]

2.2

If not, state which kind is issued.

3.

Does the reporting entity at present issue or have in force contracts that contain non-guaranteed elements?

Yes [ X ] No [ ]

If so, attach a statement that contains the determination procedures, answers to the interrogatories and an actuarial opinion as described in the instructions.

4.

Has the reporting entity any assessment or stipulated premium contracts in force?

Yes [ ] No [ X ]

If so, state:

4.1

Amount of insurance?

\$0

4.2

Amount of reserve?

\$0

4.3

Basis of reserve:

4.4

Basis of regular assessments:

4.5

Basis of special assessments:

4.6

Assessments collected during the year

\$0

5.

If the contract loan interest rate guaranteed in any one or more of its currently issued contracts is less than 5%, not in advance, state the contract loan rate guarantees on any such contracts.

6.

Does the reporting entity hold reserves for any annuity contracts that are less than the reserves that would be held on a standard basis?

Yes [ ] No [ X ]

6.1

If so, state the amount of reserve on such contracts on the basis actually held:

\$0

6.2

That would have been held (on an exact or approximate basis) using the actual ages of the annuitants; the interest rate(s) used in 6.1; and the same mortality basis used by the reporting entity for the valuation of comparable annuity benefits issued to standard lives. If the reporting entity has no comparable annuity benefits for standard lives to be valued, the mortality basis shall be the table most recently approved by the state of domicile for valuing individual annuity benefits:

\$0

Attach statement of methods employed in their valuation.

7.

Does the reporting entity have any Synthetic GIC contracts or agreements in effect as of December 31 of the current year?

Yes [ ] No [ X ]

7.1

If yes, state the total dollar amount of assets covered by these contracts or agreements

\$0

7.2

Specify the basis (fair value, amortized cost, etc.) for determining the amount:

7.3

State the amount of reserves established for this business:

\$0

7.4

Identify where the reserves are reported in the blank:

8.

Does the reporting entity have any Contingent Deferred Annuity contracts or agreements in effect as of December 31 of the current year?

Yes [ ] No [ X ]

8.1

If yes, state the total dollar amount of account value covered by these contracts or agreements:

\$0

8.2

State the amount of reserves established for this business:

\$0

8.3

Identify where the reserves are reported in the blank:

9.

Does the reporting entity have any Guaranteed Lifetime Income Benefit contracts, agreements or riders in effect as of December 31 of the current year?

Yes [ ] No [ X ]

9.1

If yes, state the total dollar amount of any account value associated with these contracts, agreements or riders:

\$0

9.2

State the amount of reserves established for this business:

\$0

9.3

Identify where the reserves are reported in the blank:

EXHIBIT 5A - CHANGES IN BASES OF VALUATION DURING THE YEAR

1	Valuation Basis		4
	2	3	
Description of Valuation Class	Changed From	Changed To	Increase in Actuarial Reserve Due to Change
NONE			
9999999 - Total (Column 4, only)			

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Golden Rule Insurance Company

**EXHIBIT 6 - AGGREGATE RESERVES FOR ACCIDENT AND HEALTH CONTRACTS <sup>(a)</sup>**

	1	Comprehensive		4	5	6	7	8	9	10	11	12	13
		2	3										
	Total	Individual	Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Credit A&H	Disability Income	Long-Term Care	Other Health
<b>ACTIVE LIFE RESERVE</b>													
1. Unearned premium reserves .....	53,800,814	1,463,454	30,609,161	953,039	641,178	2,074,169	0	0	0	0	2,377	0	18,057,436
2. Additional contract reserves (b) .....	7,152,808	176,338	96,680	5,166,081	0	0	0	0	0	0	0	726,870	986,839
3. Additional actuarial reserves-Asset/Liability analysis .....	0	0	0	0	0	0	0	0	0	0	0	0	0
4. Reserve for future contingent benefits .....	0	0	0	0	0	0	0	0	0	0	0	0	0
5. Reserve for rate credits .....	0	0	0	0	0	0	0	0	0	0	0	0	0
6. Aggregate write-ins for reserves .....	1,882,565	1,882,565	0	0	0	0	0	0	0	0	0	0	0
7. Totals (Gross) .....	62,836,187	3,522,357	30,705,841	6,119,120	641,178	2,074,169	0	0	0	0	2,377	726,870	19,044,275
8. Reinsurance ceded .....	726,870	0	0	0	0	0	0	0	0	0	0	726,870	0
9. Totals (Net) .....	62,109,317	3,522,357	30,705,841	6,119,120	641,178	2,074,169	0	0	0	0	2,377	0	19,044,275
<b>CLAIM RESERVE</b>													
10. Present value of amounts not yet due on claims .....	0	0	0	0	0	0	0	0	0	0	0	0	0
11. Additional actuarial reserves-Asset/Liability analysis .....	0	0	0	0	0	0	0	0	0	0	0	0	0
12. Reserve for future contingent benefits .....	2,340,290	89,114	1,690,389	32,172	0	0	0	0	0	0	0	0	528,615
13. Aggregate write-ins for reserves .....	0	0	0	0	0	0	0	0	0	0	0	0	0
14. Totals (Gross) .....	2,340,290	89,114	1,690,389	32,172	0	0	0	0	0	0	0	0	528,615
15. Reinsurance ceded .....	0	0	0	0	0	0	0	0	0	0	0	0	0
16. Totals (Net) .....	2,340,290	89,114	1,690,389	32,172	0	0	0	0	0	0	0	0	528,615
17. TOTAL (Net) .....	64,449,607	3,611,471	32,396,230	6,151,292	641,178	2,074,169	0	0	0	0	2,377	0	19,572,890
18. TABULAR FUND INTEREST .....	315,714	0	0	284,217	0	0	0	0	0	0	0	0	31,497
<b>DETAILS OF WRITE-INS</b>													
0601. Risk adjustment/RADV payable .....	1,882,565	1,882,565	0	0	0	0	0	0	0	0	0	0	0
0602. ....													
0603. ....													
0698. Summary of remaining write-ins for Line 6 from overflow page .....	0	0	0	0	0	0	0	0	0	0	0	0	0
0699. TOTALS (Lines 0601 thru 0603 plus 0698) (Line 6 above) .....	1,882,565	1,882,565	0	0	0	0	0	0	0	0	0	0	0
1301. ....													
1302. ....													
1303. ....													
1398. Summary of remaining write-ins for Line 13 from overflow page .....	0	0	0	0	0	0	0	0	0	0	0	0	0
1399. TOTALS (Lines 1301 thru 1303 plus 1398) (Line 13 above) .....	0	0	0	0	0	0	0	0	0	0	0	0	0

(a) Indicate if blocks of business in run-off that comprise less than 5% of premiums and less than 5% of reserve and loans liability are aggregated with material blocks of business and which columns are affected. ....

(b) Attach statement as to valuation standard used in calculating this reserve, specifying reserve bases, interest rates and methods. ....

EXHIBIT 7 - DEPOSIT TYPE CONTRACTS

	1	2	3	4	5	6
	Total	Guaranteed Interest Contracts	Annuities Certain	Supplemental Contracts	Dividend Accumulations or Refunds	Premium and Other Deposit Funds
1. Balance at the beginning of the year before reinsurance .....	1,752,671	0	22,467	90,199	1,640,005	0
2. Deposits received during the year .....	60,662	0	0	0	60,662	0
3. Investment earnings credited to the account .....	38,106	0	1,200	4,622	32,284	0
4. Other net change in reserves .....	0	0	0	0	0	0
5. Fees and other charges assessed .....	0	0	0	0	0	0
6. Surrender charges .....	0	0	0	0	0	0
7. Net surrender or withdrawal payments .....	135,198	0	3,462	19,444	112,292	0
8. Other net transfers to or (from) Separate Accounts .....	0	0	0	0	0	0
9. Balance at the end of current year before reinsurance (Lines 1+2+3+4-5-6-7-8) .....	1,716,241	0	20,205	75,377	1,620,659	0
10. Reinsurance balance at the beginning of the year .....	(1,752,671)	0	(22,467)	(90,199)	(1,640,005)	0
11. Net change in reinsurance assumed .....	0	0	0	0	0	0
12. Net change in reinsurance ceded .....	(36,430)	0	(2,262)	(14,822)	(19,346)	0
13. Reinsurance balance at the end of the year (Lines 10+11-12) .....	(1,716,241)	0	(20,205)	(75,377)	(1,620,659)	0
14. Net balance at the end of current year after reinsurance (Lines 9 + 13)	0	0	0	0	0	0

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Golden Rule Insurance Company

**EXHIBIT 8 - CLAIMS FOR LIFE AND ACCIDENT AND HEALTH CONTRACTS**

**PART 1 - Liability End of Current Year**

		1	2	Ordinary			6	Group		Accident and Health		
				3	4	5		7	8	9	10	11
		Total	Industrial Life	Life Insurance	Individual Annuities	Supplementary Contracts	Credit Life (Group and Individual)	Life Insurance	Annuities	Group	Credit (Group and Individual)	Other
1.	Due and unpaid:											
	1.1 Direct .....	0	0	0	0	0	0	0	0	0	0	0
	1.2 Reinsurance assumed .....	0	0	0	0	0	0	0	0	0	0	0
	1.3 Reinsurance ceded .....	0	0	0	0	0	0	0	0	0	0	0
	1.4 Net .....	0	0	0	0	0	0	0	0	0	0	0
2.	In course of settlement:											
	2.1 Resisted .....											
	2.11 Direct .....	0	0	0	0	0	0	0	0	0	0	0
	2.12 Reinsurance assumed .....	0	0	0	0	0	0	0	0	0	0	0
	2.13 Reinsurance ceded .....	0	0	0	0	0	0	0	0	0	0	0
	2.14 Net .....	0	0	(b)	(b)	0	(b)	(b)	0	0	0	0
	2.2 Other .....											
	2.21 Direct .....	40,014,062	0	4,305,538	0	0	0	300,000	0	26,790,090	0	8,618,434
	2.22 Reinsurance assumed .....	0	0	0	0	0	0	0	0	0	0	0
	2.23 Reinsurance ceded .....	4,305,538	0	4,305,538	0	0	0	0	0	0	0	0
	2.24 Net .....	35,708,524	0	(b)	(b)	0	(b)	300,000	0	26,790,090	(b)	8,618,434
3.	Incurred but unreported:											
	3.1 Direct .....	144,120,503	0	2,289,564	0	0	0	196,846	0	107,160,359	0	34,473,734
	3.2 Reinsurance assumed .....	0	0	0	0	0	0	0	0	0	0	0
	3.3 Reinsurance ceded .....	1,836,797	0	1,836,797	0	0	0	0	0	0	0	0
	3.4 Net .....	142,283,706	0	(b)	(b)	0	(b)	196,846	0	107,160,359	(b)	34,473,734
4.	TOTALS .....											
	4.1 Direct .....	184,134,565	0	6,595,102	0	0	0	496,846	0	133,950,449	0	43,092,168
	4.2 Reinsurance assumed .....	0	0	0	0	0	0	0	0	0	0	0
	4.3 Reinsurance ceded .....	6,142,335	0	6,142,335	0	0	0	0	0	0	0	0
	4.4 Net .....	177,992,230	(a) 0	(a) 452,767	0	0	0	(a) 496,846	0	133,950,449	0	43,092,168

(a) Including matured endowments (but not guaranteed annual pure endowments) unpaid amounting to \$ .....0 in Column 2, \$ .....0 in Column 3 and \$ .....0 in Column 7.

(b) Include only portion of disability and accident and health claim liabilities applicable to assumed "accrued" benefits. Reserves (including reinsurance assumed and net of reinsurance ceded) for unaccrued benefits for Ordinary Life Insurance \$ .....0

Individual Annuities \$ .....0 , Credit Life (Group and Individual) \$ .....0 , and Group Life \$ .....0 , are included in Page 3, Line 1, (See Exhibit 5, Section on Disability Disabled Lives); and for Group Accident and Health \$ .....2,115,762

Credit (Group and Individual) Accident and Health \$ .....0 , and Other Accident and Health \$ .....224,527 are included in Page 3, Line 2 (See Exhibit 6, Claim Reserve).

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Golden Rule Insurance Company

**EXHIBIT 8 - CLAIMS FOR LIFE AND ACCIDENT AND HEALTH CONTRACTS**

**PART 2 - Incurred During the Year**

	1  Total	2  Industrial Life (a)	Ordinary			6  Credit Life (Group and Individual)	Group		Accident and Health		
			3 Life Insurance (b)	4 Individual Annuities	5 Supplementary Contracts		7 Life Insurance (c)	8 Annuities	9 Group	10 Credit (Group and Individual)	11 Other
1. Settlements During the Year:											
1.1 Direct .....	969,493,266	0	74,385,049	25,263,829	0	0	738,592	0	680,275,026	0	188,830,770
1.2 Reinsurance assumed .....	0	0	0	0	0	0	0	0	0	0	0
1.3 Reinsurance ceded .....	99,415,468	0	74,135,049	25,263,829	0	0	0	0	0	0	16,590
1.4 Net .....	(d) 870,077,798	0	250,000	0	0	0	738,592	0	680,275,026	0	188,814,180
2. Liability December 31, current year from Part 1:											
2.1 Direct .....	184,134,565	0	6,595,102	0	0	0	496,846	0	133,950,449	0	43,092,168
2.2 Reinsurance assumed .....	0	0	0	0	0	0	0	0	0	0	0
2.3 Reinsurance ceded .....	6,142,335	0	6,142,335	0	0	0	0	0	0	0	0
2.4 Net .....	177,992,230	0	452,767	0	0	0	496,846	0	133,950,449	0	43,092,168
3. Amounts recoverable from reinsurers December 31, current year .....	0	0	0	0	0	0	0	0	0	0	0
4. Liability December 31, prior year:											
4.1 Direct .....	140,587,729	0	9,792,520	0	0	0	527,181	0	101,316,366	0	28,951,662
4.2 Reinsurance assumed .....	0	0	0	0	0	0	0	0	0	0	0
4.3 Reinsurance ceded .....	9,184,428	0	9,184,428	0	0	0	0	0	0	0	0
4.4 Net .....	131,403,301	0	608,092	0	0	0	527,181	0	101,316,366	0	28,951,662
5. Amounts recoverable from reinsurers December 31, prior year .....	9,273	0	0	0	0	0	0	0	0	0	9,273
6. Incurred Benefits											
6.1 Direct .....	1,013,040,102	0	71,187,631	25,263,829	0	0	708,257	0	712,909,109	0	202,971,276
6.2 Reinsurance assumed .....	0	0	0	0	0	0	0	0	0	0	0
6.3 Reinsurance ceded .....	96,364,102	0	71,092,956	25,263,829	0	0	0	0	0	0	7,317
6.4 Net .....	916,676,000	0	94,675	0	0	0	708,257	0	712,909,109	0	202,963,959

(a) Including matured endowments (but not guaranteed annual pure endowments) amounting to \$ .....0 in Line 1.1, \$ .....0 in Line 1.4.  
\$ .....0 in Line 6.1, and \$ .....0 in Line 6.4.

(b) Including matured endowments (but not guaranteed annual pure endowments) amounting to \$ .....0 in Line 1.1, \$ .....0 in Line 1.4.  
\$ .....0 in Line 6.1, and \$ .....0 in Line 6.4.

(c) Including matured endowments (but not guaranteed annual pure endowments) amounting to \$ .....0 in Line 1.1, \$ .....0 in Line 1.4.  
\$ .....0 in Line 6.1, and \$ .....0 in Line 6.4.

(d) Includes \$ .....0 premiums waived under total and permanent disability benefits.

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Golden Rule Insurance Company

**EXHIBIT OF NON-ADMITTED ASSETS**

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D) .....	0	0	0
2. Stocks (Schedule D):			
2.1 Preferred stocks .....	0	0	0
2.2 Common stocks .....	0	0	0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens .....	0	0	0
3.2 Other than first liens.....	0	0	0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company .....	0	0	0
4.2 Properties held for the production of income.....	0	0	0
4.3 Properties held for sale .....	0	0	0
5. Cash (Schedule E - Part 1), cash equivalents (Schedule E - Part 2) and short-term investments (Schedule DA) .....	0	0	0
6. Contract loans .....	0	0	0
7. Derivatives (Schedule DB) .....	0	0	0
8. Other invested assets (Schedule BA) .....	0	0	0
9. Receivables for securities .....	0	0	0
10. Securities lending reinvested collateral assets (Schedule DL) .....	0	0	0
11. Aggregate write-ins for invested assets .....	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	0	0	0
13. Title plants (for Title insurers only) .....	0	0	0
14. Investment income due and accrued .....	0	0	0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection .....	31,335	32,567	1,232
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due ..	0	0	0
15.3 Accrued retrospective premiums and contracts subject to redetermination .....	0	0	0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers .....	0	0	0
16.2 Funds held by or deposited with reinsured companies .....	0	0	0
16.3 Other amounts receivable under reinsurance contracts .....	0	0	0
17. Amounts receivable relating to uninsured plans .....	0	0	0
18.1 Current federal and foreign income tax recoverable and interest thereon .....	0	0	0
18.2 Net deferred tax asset .....	8,585,656	1,706,081	(6,879,575)
19. Guaranty funds receivable or on deposit .....	0	0	0
20. Electronic data processing equipment and software .....	0	0	0
21. Furniture and equipment, including health care delivery assets .....	0	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates .....	0	0	0
23. Receivables from parent, subsidiaries and affiliates .....	0	0	0
24. Health care and other amounts receivable .....	2,415,656	1,426,326	(989,330)
25. Aggregate write-ins for other than invested assets .....	17,230,148	13,196,675	(4,033,473)
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	28,262,795	16,361,649	(11,901,146)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....	0	0	0
28. Total (Lines 26 and 27) .....	28,262,795	16,361,649	(11,901,146)
<b>DETAILS OF WRITE-INS</b>			
1101. ....			
1102. ....			
1103. ....			
1198. Summary of remaining write-ins for Line 11 from overflow page .....	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above) .....	0	0	0
2501. Advances & Prepaids .....	17,230,148	13,135,268	(4,094,880)
2502. Miscellaneous Receivables .....	0	61,407	61,407
2503. ....			
2598. Summary of remaining write-ins for Line 25 from overflow page .....	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above) .....	17,230,148	13,196,675	(4,033,473)

GOLDEN RULE INSURANCE COMPANY

NOTES TO STATUTORY BASIS FINANCIAL STATEMENTS  
AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GOING CONCERN

Organization and Operation

Golden Rule Insurance Company (the “Company”), licensed as a life, accident, and health insurer, is domiciled in the State of Indiana. The Company is a wholly owned subsidiary of Golden Rule Financial Corporation (“GRFC”) and its ultimate parent company is UnitedHealth Group Incorporated (“UnitedHealth Group”). UnitedHealth Group is a publicly held company trading on the New York Stock Exchange.

The Company was incorporated on June 17 1959, as a life, accident, and health insurer, and operations commenced in June 1961. The Company is licensed to sell life and accident and health insurance in all states, with the exception of New York. The Company’s accident and health revenues are primarily derived from the sale of individual major medical policies and short-term medical policies. The Company’s life and annuity revenues are primarily derived from term life, whole life, single premium and flexile premium annuities, and long-term care investment products. Effective October 1, 2005, the Company entered into an indemnity reinsurance agreement to reinsure all life and annuity business, excluding group life and term life rider business.

The Company offers comprehensive commercial products to individuals. Each contract outlines the coverage provided and renewal provisions.

A. Accounting Practices

The statutory basis financial statements of the Company are presented on the basis of accounting practices prescribed or permitted by the State of Indiana Department of Insurance (the “Department”).

The Department recognizes only statutory accounting practices, prescribed or permitted by the State of Indiana, for determining and reporting the financial condition and results of operations of a life, accident, and health insurer, for determining its solvency under Indiana Insurance Law. The state prescribes the use of the National Association of Insurance Commissioners’ (“NAIC”) Accounting Practices and Procedures manual (“NAIC SAP”) in effect for the accounting periods covered in the statutory basis financial statements.

No significant differences exist between the practices prescribed or permitted by the State of Indiana and the NAIC SAP, which materially affect the statutory basis net income and capital and surplus, as illustrated in the table below:

	SSAP #	F/S Page #	F/S Line #	December 31, 2019	December 31, 2018
<b>Net Income</b>					
(1) Company state basis (Page 4, Line 35, Columns 1 & 2)	XXX	XXX	XXX	\$ 156,647,543	\$ 130,571,366
(2) State prescribed practices that are an increase/(decrease) from NAIC SAP: Not Applicable				-	-
(3) State permitted practices that are an increase/(decrease) from NAIC SAP: Not Applicable				-	-
(4) NAIC SAP (1 - 2 - 3 = 4)	XXX	XXX	XXX	<u>\$ 156,647,543</u>	<u>\$ 130,571,366</u>
<b>Capital and Surplus</b>					
(5) Company state basis (Page 3, Line 38, Columns 1 & 2)	XXX	XXX	XXX	\$ 259,007,348	\$ 242,034,145
(6) State prescribed practices that are an increase/(decrease) from NAIC SAP: Not Applicable				-	-
(7) State permitted practices that are an increase/(decrease) from NAIC SAP: Not Applicable				-	-
(8) NAIC SAP (5 - 6 - 7 = 8)	XXX	XXX	XXX	<u>\$ 259,007,348</u>	<u>\$ 242,034,145</u>

**B. Use of Estimates in the Preparation of the Statutory Basis Financial Statements**

The preparation of these statutory basis financial statements in conformity with the NAIC Annual Statement Instructions and the NAIC SAP include certain amounts that are based on the Company's estimates and judgments. These estimates require the Company to apply complex assumptions and judgments, often because the Company must make estimates about the effects of matters that are inherently uncertain and will change in subsequent periods. The most significant estimates relate to aggregate reserve for life contracts, aggregate reserve for accident and health contracts, contract claims – life, contract claims - accident and health, and disability benefits and benefits under accident and health insurance contracts – net, provision for experience rating refunds, and health care receivables. The Company adjusts these estimates each period as more current information becomes available. The impact of any changes in estimates is included in the determination of net income in the period in which the estimate is adjusted.

**C. Accounting Policy**

**Basis of Presentation** — The Company prepares its statutory basis financial statements on the basis of accounting practices prescribed or permitted by the Department. These statutory practices differ from accounting principles generally accepted in the United States of America ("GAAP").

Accounting policy disclosures that are required by the NAIC Annual Statement instructions are as follows:

- (1–2) Bonds and short-term investments are stated at book/adjusted carrying value if they meet NAIC designation of one through five and stated at the lower of book/adjusted carrying value or fair value if they meet an NAIC designation of six. The Company does not have any mandatory convertible securities or Securities Valuation Office of the NAIC ("SVO") identified funds (i.e.: exchange traded funds or bond mutual funds) in its bond portfolio. Amortization of bond premium or accretion of discount is calculated using the constant yield interest method. Bonds and short-term investments are valued and reported using market prices published by the SVO in accordance with the NAIC Valuation of Securities manual prepared by the SVO or an external pricing service;
- (3–4) The Company holds no common or preferred stock;
- (5) The Company holds no mortgage loans on real estate;
- (6) U.S. government and agency securities and corporate debt securities include loan-backed securities (mortgage-backed securities and asset-backed securities), which are valued using the retrospective adjustment methodology. Prepayment assumptions for the determination of the book/adjusted carrying value, commonly referred to as amortized cost, of loan-backed securities are based on a three-month constant prepayment rate history obtained from external data source vendors. The Company's investment policy limits investments in nonagency residential mortgage-backed securities, including home equity and sub-prime mortgages, to 10% of total cash and invested assets. Total combined investments in mortgage-backed securities and asset-backed securities cannot exceed more than 30% of total cash and invested assets;
- (7) The Company holds no investments in subsidiaries, controlled, or affiliated entities;
- (8) The Company has no investment interests with respect to joint ventures, partnerships or limited liability companies other than the investment in low-income housing tax credits (see Note 5K);
- (9) The Company holds no derivatives;

- (10) Premium deficiency reserves (“PDR”) (inclusive of conversion reserves) and the related expenses are recognized when it is probable that expected future health care expenses, general insurance expenses (“GIE”) that are inclusive of claims adjustment expenses (“CAE”), direct administration costs, and an allocation of indirect administration costs under a group of existing contracts will exceed anticipated future premiums and reinsurance recoveries considered over the remaining lives of the contracts, and are recorded as aggregate reserve for accident and health contracts in the statutory basis statements of admitted assets, liabilities, and capital and surplus. Indirect administration costs arise from activities that are not specifically identifiable to a specific group of existing contracts, and, therefore, those costs are fully allocated among the various contract groupings. The allocation of indirect administration costs to each contract grouping is made proportionately to the expected margins remaining in the premiums after future health care expenses, GIE and direct administration costs are considered. The data and assumptions underlying such estimates and the resulting reserves are periodically updated, and any adjustments are reflected as an increase in aggregate reserves for life and accident and health contracts in the statutory basis statements of operations in the period in which the change in estimate is identified. The Company anticipates investment income as a factor in the PDR calculation (see Note 30);
- (11) CAE, included in GIE, are those costs expected to be incurred in connection with the adjustment and recording of accident and health claims. Pursuant to the terms of the management agreement (the “Agreement”) (see Note 10), the Company pays a management fee to its affiliate, United HealthCare Services, Inc. (“UHS”), in exchange for administrative and management services. A detailed review of the administrative expenses of the Company and UHS is performed to determine the allocation between CAE and GIE. It is the responsibility of UHS to pay CAE in the event the Company ceases operations. The Company has recorded an estimate of unpaid CAE associated with incurred but unpaid claims, which is included in general expenses due or accrued in the statutory basis statements of admitted assets, liabilities, and capital and surplus. Management believes the amount of the liability for unpaid CAE as of December 31, 20XX, is adequate to cover the Company’s cost for the adjustment and recording of unpaid claims; however, actual expenses may differ from those established estimates. Adjustments to the estimates for unpaid CAE are reflected in operating results in the period in which the change in estimate is identified;
- (12) Maintenance and repairs that do not improve or extend the life of the respective assets are expensed in the period incurred and included in GIE in the statutory basis statements of operations. The Company has not modified its capitalization policy from the prior period.

**Properties Occupied by the Company, Properties Held for the Production of Income, Properties Held for Sale, Furniture and Equipment, and Electronic Data Processing Equipment and Software—**

The company has no properties held for the production of income, properties held for sale, furniture and equipment or electronic data processing equipment and software.

The amounts reported for properties occupied by the Company, less encumbrances, is stated at cost less accumulated depreciation. The Company provides for depreciation using the straight-line method over the estimated useful lives of the assets, which is 39 years for properties occupied by the Company, excluding land.

Depreciation expense of \$82,519 and \$137,815 is included in net investment income in the statutory basis statements of operations for the years ended December 31, 2019 and 2018, respectively.

The components of properties occupied by the Company at December 31, 2019 and 2018, are as follows:

	2019	2018
<b>Properties Occupied by the Company</b>		
Land, buildings, and improvements	\$ 5,367,760	\$ 5,415,085
Less: accumulated depreciation	<u>(3,265,589)</u>	<u>(3,183,069)</u>
Properties occupied by the Company	2,102,171	2,232,016
Less: nonadmitted land, buildings, and improvements	<u>-</u>	<u>-</u>
Net admitted properties occupied by the Company	<u>\$ 2,102,171</u>	<u>\$ 2,232,016</u>

- (13) Health care receivables consist of pharmacy rebates receivable estimated based on the most currently available data from the Company's claims processing systems and from data provided by the Company's affiliated pharmaceutical benefit manager, OptumRx, Inc. ("OptumRx"). Health care receivables are considered nonadmitted assets under the NAIC SAP if they do not meet admissibility requirements. Accordingly, the Company has excluded receivables that do not meet the admissibility criteria from the statutory basis statements of admitted assets, liabilities, and capital and surplus (see Note 28).

The Company has also deemed the following to be significant accounting policies and/or differences between statutory practices and GAAP:

## **ASSETS**

### ***Cash and Invested Assets***

- Bonds include U.S. government and agency securities, state and agency municipal securities, city and county municipal securities, and corporate debt securities with a maturity of greater than one year at the time of purchase;
- Certain debt investments categorized as available-for-sale or held-to-maturity under GAAP are presented at the lower of book/adjusted carrying value or fair value in accordance with the NAIC designations in the statutory basis financial statements, whereas under GAAP, these investments are shown at fair value or book/adjusted carrying value, respectively;
- Cash, cash equivalents, and short-term investments in the statutory basis financial statements represent cash balances and investments with original maturities of one year or less from the time of acquisition, whereas under GAAP, the corresponding caption of cash, cash equivalents, and short-term investments includes cash balances and investments that will mature in one year or less from the balance sheet date;
- Cash represents cash held by the Company in operating accounts. Claims and other payments are made from the operating accounts daily. Cash overdrafts are a result of timing differences in funding disbursement accounts for claims payments;
- Outstanding checks are required to be netted against cash balances or presented as cash overdrafts if in excess of cash balances in the statutory basis statements of admitted assets, liabilities, and capital and surplus as opposed to being presented as other liabilities under GAAP;
- Cash equivalents include money-market funds, and U.S. treasury bills. Cash equivalents have original maturity dates of three months or less from the date of acquisition. Cash equivalents, excluding money-market funds, are reported at cost or book/adjusted carrying value depending on the nature of the underlying security, which approximates fair value. Money-market funds are reported at fair value or net asset value ("NAV") as a practical expedient;
- Short-term investments include corporate debt securities, U.S. government and agency securities, state and agency municipal securities, and city and county municipal securities. Short-term investments have a maturity of greater than three months but less than one year at the time of purchase. Short-term investments also consist of the Company's share of an investment pool sponsored and administered by UHS. The investment pool consists principally of investments with original maturities of less than one year, with the average life of the individual investments being less than 60 days. The Company's share of the pool represents an undivided ownership interest in the pool and is immediately convertible to cash at no cost or penalty. The participants within the pool have an individual fund number to track those investments owned by the Company. In addition, the Company is listed as a participant in the executed custodial agreement between UHS and the custodian whereby the Company's share in the investment pool is segregated and separately maintained. The pool is primarily invested in government obligations, commercial paper, certificates of deposit, and short-term agency notes and is recorded at cost or book/adjusted carrying value depending on the composition of the underlying securities. Interest income from the pool accrues daily to participating members based upon ownership percentage;
- Realized capital gains and losses on sales of investments are calculated based upon specific identification of the investments sold. These gains and losses, except for those transferred to the Interest Maintenance Reserve ("IMR"), are reported as net realized capital (losses) gains (excluding gains (losses) transferred to the IMR) less capital gains (benefit) tax in the statutory basis statements of operations
- The Company continually monitors the difference between amortized cost and estimated fair value of its investments. If any of the Company's investments experience a decline in value that the Company has determined is other-than-temporary, or if the Company has determined it will sell a security that is in an impaired status, the Company will record a realized loss in net realized capital gains (losses) (excluding gains (losses) transferred to

the IMR) less capital gains tax (benefit) in the statutory basis statements of operations. The new cost basis is not changed for subsequent recoveries in fair value. The prospective adjustment method is utilized for loan-backed securities for periods subsequent to the loss recognition. The Company recognized an other-than-temporary impairment ("OTTI") of \$47,325 and \$0 for the years ended December 31, 2019 and 2018, respectively.

- The NAIC SAP required the following captions to be taken into consideration in the reconciliation of the statutory basis statements of cash flows: cash, including cash overdrafts, cash equivalents, and short-term investments, which can include restricted cash reserves, with original maturities of one year or less from the time of acquisition, whereas under GAAP, pursuant to Accounting Standards Update 2016-18, Statement of Cash Flows, Restricted Cash, the statements of cash flows reconcile the corresponding captions of cash, cash equivalents and restricted cash with maturities of three months or less. Short-term investments with a final maturity of one year or less from the balance sheet date are not included in the reconciliation of GAAP cash flows. In addition, there are classification differences within the presentation of the cash flow categories between GAAP and NAIC SAP. The statutory basis statements of cash flows are prepared in accordance with the NAIC Annual Statement Instructions.
- **Other Invested Assets** — Other invested assets include low-income housing tax credit ("LIHTC") investments which are stated at book/adjusted carrying value, which approximates fair value in the statutory basis statements of admitted assets, liabilities and capital and surplus.
- **Receivables for Securities** — The Company reports receivables for securities when investments are sold at the end of an accounting period and proceeds are received in a subsequent month in the statutory basis statements of admitted assets, liabilities, and capital and surplus. Any receivables for securities not received within 15 days from the settlement date are nonadmitted.

#### **Other Assets**

- **Investment Income Due and Accrued** — Investment income earned and due as of the reporting date, in addition to investment income earned but not paid or collected until subsequent periods, is reported as investment income due and accrued in the statutory basis statements of admitted assets, liabilities, and capital and surplus. The Company evaluates the collectability of the amounts due and accrued and amounts determined to be uncollectible are written off in the period in which the determination is made. In addition, the remaining balance is assessed for admissibility and any balance greater than 90 days past due is considered a nonadmitted asset.
- **Premiums and Considerations** — The Company reports uncollected premium balances from its insured members as premiums and considerations in the statutory basis statements of admitted assets, liabilities, and capital and surplus. Uncollected premium balances that are over 90 days past due, are considered nonadmitted assets. In addition to those balances, current balances are also considered nonadmitted if the corresponding balance greater than 90 days past due is deemed more than inconsequential. Premiums and considerations also include the risk adjustment receivables, as defined in Section 1343 of the ACA. Premium adjustments are based upon the risk scores (health status) of enrollees participating in risk adjustment covered plans, rather than the actual loss experience of the insured. Effective for 2018 benefit plan year, the risk adjustments and distributions are calculated using a high-cost risk pool which adds a reinsurance-like element to this program. A risk adjustment receivable is recorded when the Company estimates its average actuarial risk score for policies included in this program is greater than the average actuarial risk scores in that market and state risk pool (see Note 24);

Premium adjustments for the ACA Section 1343 risk adjustment are accounted for as premium adjustments subject to redetermination.

- **Current Federal Income Tax Recoverable** — The Company is included in the consolidated federal income tax return with its ultimate parent, UnitedHealth Group, under which taxes approximate the amount that would have been computed on a separate company basis, with the exception of net operating losses and capital losses. For these losses, the Company receives a benefit at the federal rate in the current year for current taxable losses incurred in that year to the extent losses can be utilized in the consolidated federal income tax return of UnitedHealth Group. A current federal income tax recoverable is recognized when the Company's allocated intercompany estimated payments are more than its actual calculated obligation based on the Company's stand-alone federal income tax return (see Note 9).

- **Net Deferred Tax Asset** — The NAIC SAP provides for an amount to be recorded for deferred taxes on temporary differences between the financial reporting and tax bases of assets, subject to a valuation allowance and admissibility limitations on deferred tax assets (see Note 9). In addition, under the NAIC SAP, the change in deferred tax assets is recorded directly to unassigned surplus in the statutory basis financial statements, whereas under GAAP, the change in deferred tax assets is recorded as a component of the income tax provision within the income statement and is based on the ultimate recoverability of the deferred tax assets. Based on the admissibility criteria under the NAIC SAP, any deferred tax assets determined to be nonadmitted are charged directly to surplus and excluded from the statutory basis financial statements, whereas under GAAP, such assets are included in the balance sheet.
- **Guaranty Funds Receivable or on Deposit** – The Company recognizes guaranty funds receivable when it is probable that a paid or accrued assessment will result in an amount that is recoverable from premium tax offsets. The receivable amount is determined based on current laws, projections of future premium collections from in-force policies, and as permitted by the NAIC SAP. In-force policies do not include expected renewals of short-term contracts. In cases when retrospective-premium-based assessments are imposed on short-duration contracts for losses on long-duration contracts, appropriate renewal rates based on persistency for the in-force short-duration contracts are taken into consideration when recognizing the asset (see Note 14). Any recognized asset from premium tax credits is re-evaluated regularly to ensure recoverability.
- **Receivables from Parent, Subsidiaries, and Affiliates, Net** — In the normal course of business, the Company has various transactions with related parties (see Note 10). The Company reports any unsettled amounts due as receivables from parent, subsidiaries, and affiliates, net, in the statutory basis statements of admitted assets, liabilities, and capital and surplus. The Company has excluded receivables that do not meet the admissibility criteria from the statutory basis statements of admitted assets, liabilities, and capital and surplus.
- **State Income Tax Recoverable** — State income tax recoverable represents amounts that are expected to be recovered as a result of an overpayment of estimated tax carrybacks, or items for which the reporting entity has authority to recover under a state regulation or statute. The Company reports such a recoverable as aggregate write-ins for other than invested assets/other assets in the statutory basis statements of admitted assets, liabilities, and capital and surplus.

## **LIABILITIES**

- **Aggregate Reserve and Contract Claims for Life and Accident and Health Contracts** — The reserves for disability, accidental death, and life insurance are developed by actuarial methods and are determined based on published or established tables, using interest rates less than or equal to statutorily prescribed interest rates, and valuation methods that will provide, in the aggregate, reserves that are greater than or equal to the minimum or guaranteed cash values or the amounts required by the Department. Tabular interest, tabular less actual reserve released, tabular cost, and tabular interest on funds not involving life contingencies are determined by a formula in accordance with the State of Indiana statutes. Contract claims reserves include claims processed but not yet paid, estimates for claims received but not yet processed, and estimates for the costs of health care services enrollees have received, but for which claims have not yet been submitted.

The estimates for aggregate reserves and incurred but not reported contract claims are developed using actuarial methods based upon historical data for payment patterns, cost trends, customer and product mix, seasonality, utilization of health care services, contracted service rates, and other relevant factors. The estimates may change as actuarial methods change or as underlying facts upon which estimates are based change. The Company did not change actuarial methods during the years ended December 31, 2019 and 2018. Adjustments to estimates for aggregate reserve for life and accident and health contracts are reflected in operating results in the period in which the change in estimate is identified.

Aggregate reserves are based on mortality and interest assumptions prescribed or permitted by state statutes without consideration of withdrawals. Statutory reserves may differ from reserves based on the Company's estimates of mortality, interest, and withdrawals; receivables on unpaid claims for coinsurance contracts are netted against contract claims for life and accident and health in the statutory basis statements of admitted assets, liabilities, and capital and surplus, whereas under GAAP, the receivables would be presented as assets.

The reserves ceded to reinsurers for aggregate reserve for life contracts, aggregate reserve for accident and health contracts, and contract claims for life and accident and health have been reported as reductions of the related reserves rather than as assets, which would be required under GAAP.

- **Unearned Premiums** — The unexpired portion of accident and health insurance premiums received is reported as part of aggregate reserve for accident and health contracts in the statutory basis statements of admitted assets, liabilities, and capital and surplus.
- **Liability for Deposit-Type Contracts** — Consideration for annuities and other deposit-type contracts that do not involve any mortality or morbidity risks are recorded as liability for deposit-type contracts in the statutory basis statements of admitted assets, liabilities, and capital and surplus. Revenues for these contracts include fees charged to policyholders and net investment income (loss) in the statutory basis statements of operations.
- **Premiums for Life and Accident and Health Contracts Received in Advance** — Premiums received in full for the policies processed during the current period, but prior to the commencement of the service period, are recorded as premiums for life and accident and health contracts received in advance in the statutory basis statements of admitted assets, liabilities, and capital and surplus.

**Provision for Experience Rating Refunds** — The Company establishes a liability, net of ceded reinsurance, for estimated accrued retrospective and redetermination premiums due from the Company based on the actuarial method and assumptions for each respective contract. Provision for experience rating refunds also includes estimated rebates payable on the comprehensive commercial products if the medical loss ratios on these fully insured products, as calculated under the definitions of the ACA (see Note 14) and implementing regulations, fall below certain targets. The Company is required to rebate the ratable portions of the premiums annually (see Note 24) and

**Interest Maintenance Reserve and Asset Valuation Reserve** — The Company maintains an IMR and an asset valuation reserve (“AVR”). The IMR is designed to defer recognition of realized capital gains and losses, due to interest rate changes on fixed-income investments, and to amortize those gains and losses into future investment income over the remaining life of the investments sold. To the extent the deferral of capital losses results in a net asset, such amount will be nonadmitted and excluded from the statutory basis statements of admitted assets, liabilities, and capital and surplus. The AVR is designed to address the default and equity risk on the majority of the Company’s invested assets. The principal function of the AVR is to reserve for credit losses on fixed-income securities carried at amortized values and for fluctuation in statutory capital and surplus resulting from realized gains and losses and changes in unrealized gains and losses.

The IMR is determined based on a formula prescribed by the NAIC whereby the Company defers the portion of realized capital gains and losses on sales of fixed-income investments, principally bonds, attributable to changes in the general level of interest rates and amortizes these deferrals over the remaining period to maturity based on groupings of individual securities sold in five year bands, rather than recognize the realized gains and losses currently. Further, the AVR is determined by the NAIC-prescribed formulas and is reported as a liability rather than as a valuation allowance or appropriation of unassigned surplus in the statutory basis financial statements. Under GAAP, realized capital gains and losses are reported in the statements of operations on a pre-tax basis in the period that the asset giving rise to the gain or loss is sold and calculation of allowances are provided where there has been a decline in value deemed other-than-temporary, in which case, the provision for such decline is charged to earnings.

- **Commissions to Agents Due or Accrued** — Commissions that are due as of the reporting date that have been incurred but not yet paid are reported as commissions to agents due or accrued in the statutory basis statements of admitted assets, liabilities, and capital and surplus.
- **General Expenses Due or Accrued** — General expenses that are due as of the reporting date in addition to general expenses that have been incurred but are not due until a subsequent period are reported as general expenses due or accrued in the statutory basis statements of admitted assets, liabilities, and capital and surplus.
- **Taxes, Licenses, and Fees Due or Accrued, Excluding Federal Income Taxes (“TL&F”)** — TL&F represents insurance assessments, state taxes on premium and income and state insurance department licenses and fees. TL&F is recognized when incurred. Taxes, licenses and fees that are due as of the reporting date in addition to taxes, licenses, and fees that have been incurred but are not due until a subsequent period are reported as TL&F in the statutory basis statements of admitted assets, liabilities, and capital and surplus. TL&F also includes the unpaid portion of the contributions required under the ACA risk adjustment and reinsurance programs (see Note 24).
- **Remittances and Items Not Allocated** — Remittances and items not allocated generally represent monies received from policyholders for monthly premium billings or providers that have not been specifically identified or applied prior to year-end. The majority is from monies received in the lockbox account on the last day of the year.

- **Payable to Parent, Subsidiaries, and Affiliates, Net** — In the normal course of business, the Company has various transactions with related parties (see Note 10). The Company reports any unsettled amounts owed as amounts payable to parent, subsidiaries, and affiliates, net, in the statutory basis statements of admitted assets, liabilities, and capital and surplus.
- **Payable for Securities** — The Company reports payable for securities when investments are traded at the end of an accounting period for which the settlement does not occur until the following month in the statutory basis statements of admitted assets, liabilities and capital and surplus.

## **CAPITAL AND SURPLUS AND MINIMUM STATUTORY REQUIREMENTS**

- **Nonadmitted Assets** — Certain assets, including certain aged premium receivables, certain health care receivables, certain deferred tax assets, prepaid expenses, are considered nonadmitted assets under the NAIC SAP and are excluded from the statutory basis statements of admitted assets, liabilities, and capital and surplus and charged directly to unassigned surplus. Under GAAP, such assets are included in the balance sheet.
- **Restricted Cash Reserves** — The Company held regulatory deposits in the amount of \$4,055,716 and \$4,269,898 as of December 31, 2019 and 2018, respectively, in compliance with the various states requirements for qualification purposes as a domestic and foreign insurer. These restricted cash reserves consist principally of government obligations and are stated at book/adjusted carrying value, which approximates fair value. These restricted deposits are included in bonds and short-term investments in the statutory basis statements of admitted assets, liabilities, and capital and surplus. Interest earned on these deposits accrues to the Company.
- **Minimum Capital and Surplus** — Under the laws of the State of Indiana, the Company's domiciliary state, the Department requires the Company to maintain a minimum capital and surplus equal to \$450,000.

Risk-based capital ("RBC") is a regulatory tool for measuring the minimum amount of capital appropriate for a life, accident and health organization to support its overall business operations in consideration of its size and risk profile. The Department of requires the Company to maintain minimum capital and surplus equal to the greater of the state statute as outlined above, or the company action level as calculated by the RBC formula, or the level needed to avoid action pursuant to the trend test in the RBC formula. The Company is in compliance with the required amount.

The Company is also subject to minimum capital and surplus requirements in other states where it is licensed to do business.

The Company has \$259,007,348 and \$242,034,145 in total statutory basis capital and surplus as of December 31, 2019 and 2018, respectively, which is in compliance with the required amounts where it is licensed to do business.

- **Section 9010 ACA subsequent fee year assessment**— The Company is subject to the Section 9010 ACA subsequent fee year assessment. Under the NAIC SAP, an amount equal to the estimated subsequent year fee must be apportioned out of unassigned surplus and reported as Section 9010 ACA subsequent fee year assessment, in the statutory basis statements of admitted assets, liabilities, and capital and surplus, whereas under GAAP, no such special surplus designation is required. In accordance with the 2019 Health Insurer Fee ("HIF") moratorium, no HIF was payable in 2019, therefore no amounts were apportioned out of unassigned surplus in the 2018 statutory basis statements of admitted assets, liabilities, and capital and surplus.

## **STATEMENTS OF OPERATIONS**

- **Premiums for Life and Accident and Health Contracts—Net** — Premiums for life and accident and health contracts—net are recognized in the period in which enrollees are entitled to receive services and are shown net of reinsurance premiums paid and reinsurance premiums incurred but not paid in the statutory basis statements of operations. The corresponding change in unearned premium from year to year is reflected as an increase (decrease) in aggregate reserves for life and accident and health contracts in the statutory basis statements of operations. Under GAAP, the change in unearned premium from year to year on the accident and health insurance premiums is reported through premium income.

Comprehensive commercial health plans with medical loss ratios on fully insured products, as calculated under the definitions in the ACA (see Note 14) and implementing regulations, that fall below certain targets are required to rebate ratable portions of premiums annually. The Company classifies its estimated rebates as premiums for life and accident and health contracts—net in the statutory basis statements of operations.

Pursuant to Section 1343 of the ACA, the Company records premium adjustments for changes to risk adjustment balances which are reflected in premiums for life and accident and health contracts—net in the statutory basis statements of operations.

Premium receipts and benefits on universal life-type contracts are recorded as premiums for life and accident and health contracts and death benefits—net within the statutory basis statements of operations. Under GAAP, revenues on universal life-type contracts are comprised of contract charges and fees, which are recognized when assessed against the policyholder account balance. Additionally, premium receipts on universal life-type contracts are considered deposits and are recorded as interest-bearing liabilities, while benefits are recognized as expenses in excess of the policyholder account balance.

- **Net Investment Income** — Net investment income includes investment income collected during the period, as well as the change in investment income due and accrued on the Company's holdings. Amortization of premium or discount on bonds and certain external investment management costs are also included in net investment income (see Note 7).
- **Commissions and Expense Allowances on Reinsurance Ceded** — Commissions and expense allowances on reinsurance ceded primarily represents the amortization of the ceding commission on the sale of the life and annuity business in 2005. Commissions and expense allowances on reinsurance ceded are included in commissions and expense allowances on reinsurance ceded in the statutory basis on operations.
- **Miscellaneous Income** — Miscellaneous income consists primarily of fees received for the administration of health contracts.
- **Death Benefits, Disability Benefits and Benefits under Accident and Health Contracts, and Increase in Aggregate Reserves for Life and Accident and Health Contracts** — Death benefits and changes in aggregate reserves for life contracts includes life claims paid, life claims processed but not yet paid, estimates for life claims received but not yet processed, estimates for life claims where the death has occurred but for which a claim has not been submitted and changes in contract and policy reserves. Disability benefits and benefits under accident and health contracts and changes in aggregate reserves for accident and health contracts include claims paid, claims processed but not yet paid, estimates for claims received but not yet processed, estimates for the costs of health care services enrollees have received but for which claims have not yet been submitted, payments and liabilities for physician, hospital, and other medical costs disputes, estimates for payments not yet due on incurred claims and changes in contract and policy reserves.
- **Commissions on Premiums** — Commissions on premiums represent commission expense for external brokers and agents. Expense is recorded when incurred based upon the contract period.
- **General Insurance Expenses** — Pursuant to the terms of the Agreement (see Note 10), the Company pays a management fee to UHS in exchange for administrative and management services. Costs for items not included within the scope of the Agreement are directly expensed as incurred. A detailed review of the administrative expenses of the Company and UHS is performed to determine the allocation between CAE and GIE.
- **Insurance Taxes, Licenses and Fees, Excluding Federal Income Taxes ("Insurance TL&F")** — Insurance TL&F represents insurance assessments, state taxes on premium and income and state insurance department licenses and fees. Insurance TL&F is recognized when incurred. The Company is subject to an annual fee under Section 9010 of the ACA. A health insurance entity's annual fee becomes payable once the entity provides health insurance for any U.S. health risk for each calendar year beginning on or after January 1, 2014, which is nondeductible for tax purposes. Under the NAIC SAP, the entire amount of the estimated annual fee expense is recognized on January 1 of the fee year in insurance taxes, licenses and fees in the statutory basis statements of operations, whereas under GAAP, a deferred asset is created on January 1 of the fee year which is amortized to expense on a straight-line basis throughout the year.
- **Federal Income Taxes Incurred**— The provision for federal income taxes incurred is calculated based on applying the statutory federal income tax rate of 21% to net income before federal income taxes and net realized capital gains (losses) subject to certain adjustments (see Note 9).

- **Comprehensive Income** — Comprehensive income and its components are not separately presented in the statutory basis financial statements, whereas under GAAP, it is a requirement to present comprehensive income and its components in the financial statements.

## **REINSURANCE**

- **Reinsurance Ceded** — In the normal course of business, the Company seeks to limit its exposure to loss on any single insured and to recover a portion of benefits paid by ceding premium to other insurance enterprises or reinsurers under excess coverage contracts or specific transfer of risk agreements. The Company remains primarily liable as the direct insurer on the risks reinsured. Reinsurance premiums paid and reinsurance premiums incurred but not paid are deducted from premiums for life and accident and health contracts—net in the statutory basis statements of operations. Any amounts due to the Company pursuant to these agreements are recorded as amounts recoverable from reinsurers in the statutory basis statements of admitted assets, liabilities, and capital and surplus (see Note 23).
- **Other Amounts Receivable Under Reinsurance Contracts** — Other amounts receivable under reinsurance contracts includes a receivable from The State Life Insurance Company for premium taxes due on the life and annuity business ceded under a 100% indemnity reinsurance contract (see Note 23).
- **Section 1341 ACA Transitional Reinsurance** — The Company has established a receivable of \$0 and \$9,273 as of December 31, 2019 and 2018, respectively, pursuant to Section 1341 of the ACA which is included in amounts recoverable from reinsurer in the statutory basis statements of admitted assets, liabilities, and capital and surplus, for the transitional reinsurance program. This program was designed to protect issuers in the individual market from an expected increase in large claims due to the elimination of preexisting condition limitations (see Note 24).

## **OTHER**

- **Vulnerability Due to Certain Concentrations** — The Company is subject to substantial federal and state government regulation, including licensing and other requirements relating to the offering of the Company's existing products in new markets and offerings of new products, both of which may restrict the Company's ability to expand its business.

The Company has no commercial customers that individually exceed 10% of total direct premiums written and uncollected premiums, including receivables for contracts subject to redetermination, for the years ended December 31, 2019 and 2018.

**Recently Issued Accounting Standards** — The Company reviewed all other recently issued guidance in 2019 and 2018 that has been adopted for 2019 or subsequent years' implementation and has determined that none of the items would have a significant impact to the statutory basis financial statements.

### **D. Going Concern**

The Company has the ability and will continue to operate for a period of time sufficient to carry out its commitments, obligations and business objectives.

### **2. ACCOUNTING CHANGES AND CORRECTION OF ERRORS**

No changes in accounting principles or correction of errors have been recorded during the years ended December 31, 2019 and 2018.

### **3. BUSINESS COMBINATIONS AND GOODWILL**

**A–D.** The Company was not party to a business combination during the years ended December 31, 2019 and 2019, and does not carry goodwill in its statutory basis statements of admitted assets, liabilities, and capital and surplus.

### **4. DISCONTINUED OPERATIONS**

The Company did not discontinue any operations during 2019 or 2018; however, effective January 1, 2018, the Company did make the decision to exit the ACA individual off-exchange market.

#### **A. Discontinued Operation Disposed of or Classified as Held for Sale**

**(1–4)** The Company did not have any discontinued operations disposed of or classified as held for sale during 2019 and 2018.

#### **B. Change in Plan of Sale of Discontinued Operation — Not applicable.**

C. Nature of any Significant Continuing Involvement with Discontinued Operations after Disposal — Not applicable.

D. Equity Interest Retained in the Discontinued Operation after Disposal — Not applicable.

5. INVESTMENTS AND OTHER INVESTED ASSETS

For purposes of calculating gross realized gains and losses on sales of investments, the amortized cost of each investment sold is used. The gross realized gains and losses on sales of long-term investments were \$1,586,297 and \$338,755, respectively, for 2019 and \$5,614 and \$189,464, respectively, for 2018. The gross realized gains and losses on sales of short-term investments were \$0 for both 2019 and 2018. The net realized gain is included in net realized capital (losses) gains (excluding gains (losses) transferred to the IMR) less capital gains (benefit) tax in the statutory basis statements of operations. Total proceeds on the sale of long-term investments were \$88,114,206 and \$29,625,019 and for short-term investments, were \$795,864,270 and \$631,661,497 in 2019 and 2018, respectively.

As of December 31, 2019 and 2018, the book/adjusted carrying value, fair value, and gross unrecognized unrealized gains and losses of the Company's investments, excluding cash and cash equivalents of \$5,859,585 and \$9,430,631, respectively, are as follows:

2019					
	Book/Adjusted Carrying Value	Gross Unrecognized Unrealized Gains	Gross Unrecognized Unrealized Losses < 1 Year	Gross Unrecognized Unrealized Losses > 1 Year	Fair Value
U.S. government and agency securities	\$ 120,477,733	\$ 1,818,745	\$ 53,205	\$ 89,562	\$ 122,153,711
State and agency municipal securities	29,034,868	945,462	41,586	-	29,938,744
City and county municipal securities	59,533,016	1,778,773	182,006	-	61,129,783
Corporate debt securities (includes commercial paper)	318,161,654	3,858,393	60,986	3,813	321,955,248
Other invested assets	9,597,212	-	-	-	9,597,212
Total bonds, short-term investments, and other invested assets	<u>\$ 536,804,483</u>	<u>\$ 8,401,373</u>	<u>\$ 337,783</u>	<u>\$ 93,375</u>	<u>\$ 544,774,698</u>

2019					
	Book/Adjusted Carrying Value	Gross Unrecognized Unrealized Gains	Gross Unrecognized Unrealized Losses < 1 Year	Gross Unrecognized Unrealized Losses > 1 Year	Fair Value
Less than one year	\$ 130,315,724	\$ 97,715	\$ 1,699	\$ 2,985	\$ 130,408,755
One to five years	189,920,215	2,052,020	52,408	2,341	191,917,486
Five to ten years	120,690,048	5,209,718	150,606	767	125,748,393
Over ten years	95,878,496	1,041,920	133,070	87,282	96,700,064
Total bonds, short-term investments, and other invested assets	<u>\$ 536,804,483</u>	<u>\$ 8,401,373</u>	<u>\$ 337,783</u>	<u>\$ 93,375</u>	<u>\$ 544,774,698</u>

2018					
	Book/Adjusted Carrying Value	Gross Unrecognized Unrealized Gains	Gross Unrecognized Unrealized Losses < 1 Year	Gross Unrecognized Unrealized Losses > 1 Year	Fair Value
U.S. government and agency securities	\$ 85,340,887	\$ 542,488	\$ 64,570	\$ 2,789,488	\$ 83,029,317
State and agency municipal securities	58,335,649	464,362	4,448	337,937	58,457,626
City and county municipal securities	53,240,243	523,359	41,549	342,803	53,379,250
Corporate debt securities (includes commercial paper)	249,905,416	125,373	974,370	1,312,583	247,743,836
Other invested assets	11,616,984	-	-	-	11,616,984
Total bonds, short-term investments, and other invested assets	<u>\$ 458,439,179</u>	<u>\$ 1,655,582</u>	<u>\$ 1,084,937</u>	<u>\$ 4,782,811</u>	<u>\$ 454,227,013</u>

Included in U.S. government and agency securities and corporate debt securities in the tables above are mortgage-related loan-backed securities, which do not have a single maturity date. For the years to maturity table above, these securities have been presented in the maturity group based on the securities' final maturity date and at a book/adjusted carrying value of \$67,235,646 and fair value of \$67,737,349.

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The following table illustrates the fair value and gross unrecognized unrealized losses, aggregated by investment category and length of time that the individual securities have been in a continuous unrecognized unrealized loss position as of December 31, 2019 and 2018:

	2019					
	< 1 Year		> 1 Year		Total	
	Fair Value	Gross Unrecognized Unrealized Losses	Fair Value	Gross Unrecognized Unrealized Losses	Fair Value	Gross Unrecognized Unrealized Losses
U.S. government and agency securities	\$ 18,482,265	\$ (53,205)	\$ 12,829,583	\$ (89,562)	\$ 31,311,848	\$ (142,767)
State and agency municipal securities	4,925,695	(41,586)	-	-	4,925,695	(41,586)
City and county municipal securities	17,853,499	(182,006)	-	-	17,853,499	(182,006)
Corporate debt securities	<u>22,132,967</u>	<u>(60,986)</u>	<u>3,678,609</u>	<u>(3,813)</u>	<u>25,811,576</u>	<u>(64,799)</u>
Total bonds and short-term investments	<u>\$ 63,394,426</u>	<u>\$ (337,783)</u>	<u>\$ 16,508,192</u>	<u>\$ (93,375)</u>	<u>\$ 79,902,618</u>	<u>\$ (431,158)</u>

	2018					
	< 1 Year		> 1 Year		Total	
	Fair Value	Gross Unrecognized Unrealized Losses	Fair Value	Gross Unrecognized Unrealized Losses	Fair Value	Gross Unrecognized Unrealized Losses
U.S. government and agency securities	\$ 10,773,224	\$ (64,570)	\$ 54,392,411	\$ (2,789,488)	\$ 65,165,635	\$ (2,854,058)
State and agency municipal securities	2,137,270	(4,448)	23,597,443	(337,937)	25,734,713	(342,385)
City and county municipal securities	11,054,930	(41,549)	15,276,361	(342,803)	26,331,291	(384,352)
Corporate debt securities (includes commercial paper)	<u>105,071,922</u>	<u>(974,370)</u>	<u>50,077,186</u>	<u>(1,312,583)</u>	<u>155,149,108</u>	<u>(2,286,953)</u>
Total bonds and short-term investments	<u>\$ 129,037,346</u>	<u>\$ (1,084,937)</u>	<u>\$ 143,343,401</u>	<u>\$ (4,782,811)</u>	<u>\$ 272,380,747</u>	<u>\$ (5,867,748)</u>

The unrecognized unrealized losses on investments in U.S. government and agency securities, state and agency municipal securities, city and county municipal securities, and corporate debt securities at December 31, 2019 and 2018, were mainly caused by interest rate increases and not by unfavorable changes in the credit ratings associated with these securities. The Company evaluates impairment at each reporting period for each of the securities whereby the fair value of the investment is less than its book/adjusted carrying value. The contractual cash flows of the U.S. government and agency securities are guaranteed either by the U.S. government or an agency of the U.S. government. It is expected that the securities would not be settled at a price less than the cost of the investment, and the Company does not intend to sell the investment until the unrealized loss is fully recovered. The Company evaluated the credit ratings of the municipal, local agency, and corporate debt securities, noting whether a significant deterioration since purchase or other factors that may indicate an OTTI, such as the length of time and extent to which fair value has been less than cost, the financial condition, and near-term prospects of the issuer as well as specific events or circumstances that may influence the operations of the issuer and the Company's intent to sell the investment. Additionally, the Company evaluated its intent and ability to retain loan-backed securities for a period of time sufficient to recover the amortized cost. As a result of these reviews, no OTTIs were recorded by the Company as of December 31, 2019 and 2018.

The Company is an investment member in the U.S. Bancorp LIHTC Fund (see Note 5K). The amount associated with this investment is included in other invested assets in the statutory basis statements of admitted assets, liabilities and capital and surplus.

Net realized capital (losses) gains (excluding (losses) gains transferred to the IMR) less capital gains (benefit) tax net of federal income taxes incurred and amounts transferred to the IMR as of December 31, 2019 and 2018, are as follows:

	2019	2018
Realized capital gains—net of related taxes		
of \$272,758 and \$(83,475) in 2019 and 2018, respectively	\$ 927,460	\$ 381,696
Less amount transferred to IMR—net of related taxes (benefit)		
of \$261,983 and \$(38,609) in 2019 and 2018, respectively	<u>985,560</u>	<u>145,242</u>
Net realized capital (losses) gains—net of tax and amounts transferred to IMR	<u>\$ (58,100)</u>	<u>\$ 526,938</u>

**A–C.** The Company has no mortgage loans, real estate loans, restructured debt, or reverse mortgages. The Company also has no real estate property held for the production of income, or real estate property held for sale.

**D. Loan- Backed Securities**

- (1) U.S. government and agency securities and corporate debt securities include loan-backed securities (mortgage-backed securities and asset-backed securities), which are valued using the retrospective adjustment methodology. Prepayment assumptions for the determination of the amortized cost of loan-backed securities are based on a three-month constant prepayment rate history obtained from external data source vendors.

- (2) The Company did not recognize any OTTIs on loan-backed securities as of December 31, 2019 and 2018.
- (3) The Company did not have any loan-backed securities with OTTIs to report by CUSIP as of December 31, 2019 or 2018.
- (4) The following table illustrates the fair value, gross unrecognized unrealized losses, and length of time that the loan-backed securities have been in a continuous unrecognized unrealized loss position as of December 31, 2019 and 2018:

	2019
The aggregate amount of unrealized losses:	
1. Less than 12 months	\$ 21,551
2. 12 months or longer	89,724
The aggregate related fair value of securities with unrealized losses:	
1. Less than 12 months	13,933,458
2. 12 months or longer	13,504,186
	2018
The aggregate amount of unrealized losses:	
1. Less than 12 months	\$ 103,254
2. 12 months or longer	1,386,753
The aggregate related fair value of securities with unrealized losses:	
1. Less than 12 months	31,987,568
2. 12 months or longer	49,738,409

- (5) The Company believes that it will collect all principal and interest due on all investments that have an amortized cost in excess of fair value. The unrecognized unrealized losses as of December 31, 2019 and 2018 were primarily caused by interest rate increases and not by unfavorable changes in the credit ratings associated with these securities.

- E. Dollar Repurchase Agreements and/or Securities Lending Transactions — Not applicable.
- F. Repurchase Agreements Transactions Accounted for as Secured Borrowing — Not applicable.
- G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing — Not applicable.
- H. Repurchase Agreements Transactions Accounted for as a Sale — Not applicable.
- I. Reverse Repurchase Agreements Transactions Accounted for as a Sale — Not applicable.
- J. Real Estate — Not applicable.
- K. Low-Income Housing Tax Credits

- (1–7) LIHTC investments of \$9,597,212 and \$11,616,984 as of December 31, 2019 and 2018, respectively, are included in other invested assets in the statutory basis statements of admitted assets, liabilities, and capital and surplus. The Company also has a corresponding liability of \$0 as of December 31, 2019 and 2018, which represents the future capital contributions that will be required as long as the asset is performing based on the agreed upon terms. The number of remaining years of unexpired tax credits is four, and the required holding period for the LIHTC investments is eleven. The LIHTC investments are not currently subject to any regulatory reviews. The Company did not recognize any impairment losses, write-downs, or reclassifications during 2019 or 2018.

- L. Restricted Assets —

(1) Restricted assets, including pledged securities as of December 31, 2019 and 2018, are presented below:

Restricted Asset Category	Gross (Admitted & Nonadmitted) Restricted					Percentage					
	Current Year										
	1	2	3	4	5	6	7	8	9	10	11
	Total General Account (G/A)	G/A Supporting S/A Activity (a)	Total Separate Account (S/A) Restricted Assets	S/A Assets Supporting G/A Activity (b)	Total (1 Plus 3)	Total from Prior Year	Increase/ (Decrease) (5 Minus 6)	Total Nonadmitted Restricted	Total Admitted Restricted (5 minus 8)	Gross (Admitted & Nonadmitted) Restricted to Total Assets (c)	Admitted Restricted to Total Admitted Assets (d)
a. Subject to contractual obligation for which liability is not shown	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0 %	0 %
b. Collateral held under security lending agreements	-	-	-	-	-	-	-	-	-	0 %	0 %
c. Subject to repurchase agreements	-	-	-	-	-	-	-	-	-	0 %	0 %
d. Subject to reverse repurchase agreement:	-	-	-	-	-	-	-	-	-	0 %	0 %
e. Subject to dollar repurchase agreement:	-	-	-	-	-	-	-	-	-	0 %	0 %
f. Subject to dollar reverse repurchase agreement:	-	-	-	-	-	-	-	-	-	0 %	0 %
g. Placed under option contracts	-	-	-	-	-	-	-	-	-	0 %	0 %
h. Letter stock or securities restricted as to sale—excluding FHLB capital stock	-	-	-	-	-	-	-	-	-	0 %	0 %
i. FHLB capital stock	-	-	-	-	-	-	-	-	-	0 %	0 %
j. On deposit with states	4,055,716	-	-	-	4,055,716	4,269,898	(214,182)	-	4,055,716	0.7 %	0.8 %
k. On deposit with other regulatory bodies	-	-	-	-	-	-	-	-	-	0 %	0 %
l. Pledged as collateral to FHLB (including assets backing funding agreements)	-	-	-	-	-	-	-	-	-	0 %	0 %
m. Pledged as collateral not captured in other categories	-	-	-	-	-	-	-	-	-	0 %	0 %
n. Other restricted assets	-	-	-	-	-	-	-	-	-	0 %	0 %
o. Total restricted assets	\$ 4,055,716	\$ -	\$ -	\$ -	\$ 4,055,716	\$ 4,269,898	\$ (214,182)	\$ -	\$ 4,055,716	0.7 %	0.8 %

(a) Subset of column 1  
(b) Subset of column 3  
(c) Column 5 divided by Asset Page, Column 1, Line 28  
(d) Column 9 divided by Asset Page, Column 3, Line 28

(2–4) The Company has no assets pledged as collateral not captured in other categories and no other restricted assets as of December 31, 2019 or 2018.

M. Working Capital Finance Investments — Not applicable.

N. Offsetting and Netting of Assets and Liabilities

The Company does not have any offsetting or netting of assets and liabilities as it relates to derivatives, repurchase and reverse repurchase agreements, and securities borrowing and securities lending activities.

O. 5GI Securities

The Company does not have any investments with an NAIC designation of 5GI as of December 31, 2019 and 2018.

P. Short Sales — Not applicable.

Q. Prepayment Penalty and Acceleration Fees —

The following table illustrates prepayment penalty and acceleration fees as of December 31, 2019:

	General Account	Separate Account
1. Number of CUSIPs	7	-
2. Aggregate Amount of Investment Income	\$ 15,037	\$ -

6. JOINT VENTURES, PARTNERSHIPS, AND LIMITED LIABILITY COMPANIES

A–B. The Company has no investments in joint ventures, partnerships, or limited liability companies that exceed 10% of admitted assets and did not recognize any impairment write-down for its investments in joint ventures, partnerships, and limited liability companies during the statement periods.

7. INVESTMENT INCOME

A. The Company excludes all investment income due and accrued amounts that are over 90 days past due from the statutory basis statements of admitted assets, liabilities, and capital and surplus.

B. There were no investment income amounts excluded from the statutory basis financial statements.

8. DERIVATIVE INSTRUMENTS

A–B. The Company has no derivative instruments.

9. INCOME TAXES

A. Deferred Tax Asset/Liability

(1) The components of the net deferred tax asset at December 31, 2019 and 2018, are as follows:

	2019			2018			Change		
	1 Ordinary	2 Capital	3 Col 1+2 Total	4 Ordinary	5 Capital	6 Col 4+5 Total	7 (Col 1 - 4) Ordinary	8 (Col 2 - 5) Capital	9 Col 7+8 Total
(a) Gross deferred tax assets	\$ 20,853,090	\$ 27,778	\$ 20,880,868	\$ 17,206,235	\$ 13,927	\$ 17,220,162	\$ 3,646,855	\$ 13,851	\$ 3,660,706
(b) Statutory valuation allowance adjustments	-	27,778	27,778	-	13,927	13,927	-	13,851	13,851
(c) Adjusted gross deferred tax assets (1a - 1b)	20,853,090	-	20,853,090	17,206,235	-	17,206,235	3,646,855	-	3,646,855
(d) Deferred tax assets nonadmitted	8,585,656	-	8,585,656	1,706,081	-	1,706,081	6,879,575	-	6,879,575
(e) Subtotal net admitted deferred tax asset (1c - 1d)	12,267,434	-	12,267,434	15,500,154	-	15,500,154	(3,232,720)	-	(3,232,720)
(f) Deferred tax liabilities	1,706,554	-	1,706,554	2,225,374	-	2,225,374	(518,820)	-	(518,820)
(g) Net admitted deferred tax asset/(net deferred tax liability) (1e - 1f)	\$ 10,560,880	\$ -	\$ 10,560,880	\$ 13,274,780	\$ -	\$ 13,274,780	\$ (2,713,900)	\$ -	\$ (2,713,900)

(2) The components of the adjusted gross deferred tax assets admissibility calculation under SSAP No. 101, *Income Taxes—A Replacement of SSAP No. 10R and SSAP No. 10*, are as follows:

Admission Calculation Components SSAP No. 101	2019			2018			Change		
	1 Ordinary	2 Capital	3 (Col 1 + 2) Total	4 Ordinary	5 Capital	6 (Col 4 + 5) Total	7 (Col 1 - 4) Ordinary	8 (Col 2 - 5) Capital	9 (Col 7 + 8) Total
(a) Federal income taxes paid in prior years recoverable through loss carrybacks	\$ 8,959,817	\$ -	\$ 8,959,817	\$ 13,274,780	\$ -	\$ 13,274,780	\$ (4,314,963)	\$ -	\$ (4,314,963)
(b) Adjusted gross deferred tax assets expected to be realized (excluding the amount of deferred tax assets from 2(a) above) after application of the threshold limitation. (The lesser of 2(b)1 and 2(b)2 below)	1,601,063	-	1,601,063	-	-	-	1,601,063	-	1,601,063
1. Adjusted gross deferred tax assets expected to be realized following the balance sheet date	1,601,063	-	1,601,063	-	-	-	1,601,063	-	1,601,063
2. Adjusted gross deferred tax assets allowed per limitation threshold	XXX	XXX	37,505,915	XXX	XXX	34,531,897	XXX	XXX	2,974,018
(c) Adjusted gross deferred tax assets (excluding the amount of deferred tax assets from 2(a) and 2(b) above) offset by gross deferred tax liabilities	1,706,554	-	1,706,554	2,225,374	-	2,225,374	(518,820)	-	(518,820)
(d) Deferred tax assets admitted as the result of application of SSAP No. 101									
Total (2(a) + 2(b) + 2(c))	\$ 12,267,434	\$ -	\$ 12,267,434	\$ 15,500,154	\$ -	\$ 15,500,154	\$ (3,232,720)	\$ -	\$ (3,232,720)

(3) The ratio percentage and adjusted capital and surplus used to determine the recovery period and threshold limitations for the admissibility calculation are presented below:

	2019	2018
(a) Ratio percentage used to determine recovery period and threshold limitation amount	517 %	532 %
(b) Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in 2(b)(2) above	\$ 250,039,431	\$ 230,212,646

(4) The impact to the gross deferred tax assets balances as a result of tax-planning strategies as of December 31, 2019 and 2018, is presented below:

Impact of Tax-Planning Strategies	2019		2018		Change	
	1	2	3	4	5	6
	Ordinary	Capital	Ordinary	Capital	(Col 1 - 3) Ordinary	(Col 2 - 4) Capital
(a) Determination of adjusted gross deferred tax assets and net admitted deferred tax assets by tax character as a percentage.						
1. Adjusted gross DTAs amount from Note 9A1(c)	\$ 20,853,090	\$ -	\$ 17,206,235	\$ -	\$ 3,646,855	\$ -
2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax-planning strategies	- %	- %	- %	- %	- %	- %
3. Net admitted adjusted gross DTAs amount from Note 9A1(e)	\$ 12,267,434	\$ -	\$ 15,500,154	\$ -	\$ (3,232,720)	\$ -
4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax-planning strategies	- %	- %	- %	- %	- %	- %
(b) Does the Company's tax-planning strategies include the use of reinsurance?			Yes		No	X

B. Unrecognized Deferred Tax Liabilities

(1–4) There are no unrecognized deferred tax liabilities for the years ended December 31, 2019 and 2018.

C. Significant Components of Income Taxes

(1) The current federal and foreign income taxes incurred (benefit) for the years ended December 31, 2019 and 2018 are as follows:

	1	2	3
	2019	2018	(Col 1 - 2) Change
1. Current income tax			
(a) Federal	\$ 41,552,564	\$ 39,172,246	\$ 2,380,318
(b) Foreign	-	-	-
(c) Subtotal	41,552,564	39,172,246	2,380,318
(d) Federal income tax on net capital gains (losses)	272,757	(83,475)	356,232
(e) Utilization of capital loss carryforwards	-	-	-
(f) Other	-	-	-
(g) Total federal and foreign income taxes incurred (benefit)	<u>\$ 41,825,321</u>	<u>\$ 39,088,771</u>	<u>\$ 2,736,550</u>

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**(2-4)** The tax effect of temporary differences that give rise to significant portions of the deferred tax assets and liabilities as of December 31, 2019 and 2018, are as follows:

	1	2	3
	2019	2018	(Col 1 - 2) Change
2 Deferred tax assets:			
(a) Ordinary:			
(1) Discounting of unpaid losses	\$ 1,532,688	\$ 1,402,823	\$ 129,865
(2) Unearned premium reserve	3,244,600	3,239,024	5,576
(3) Policyholder reserves	-	-	-
(4) Investments	-	-	-
(5) Deferred acquisition costs	14,390,589	11,317,863	3,072,726
(6) Policyholder dividends accrual	-	-	-
(7) Fixed assets	-	-	-
(8) Compensation and benefits accrual	-	-	-
(9) Pension accrual	-	-	-
(10) Receivables—nonadmitted	513,001	319,263	193,738
(11) Net operating loss carryforward	-	-	-
(12) Tax credit carryforward	-	-	-
(13) Other (including items <5% of total ordinary tax assets)	<u>1,172,212</u>	<u>927,262</u>	<u>244,950</u>
(99) Subtotal	20,853,090	17,206,235	3,646,855
(b) Statutory valuation allowance adjustment	-	-	-
(c) Nonadmitted	<u>8,585,656</u>	<u>1,706,081</u>	<u>6,879,575</u>
(d) Admitted ordinary deferred tax assets (2a99 - 2b - 2c)	<u>12,267,434</u>	<u>15,500,154</u>	<u>(3,232,720)</u>
(e) Capital:			
(1) Investments	27,778	13,927	13,851
(2) Net capital loss carryforward	-	-	-
(3) Real estate	-	-	-
(4) Other (including items <5% of total capital tax assets)	<u>-</u>	<u>-</u>	<u>-</u>
(99) Subtotal	27,778	13,927	13,851
(f) Statutory valuation allowance adjustment	27,778	13,927	13,851
(g) Nonadmitted	<u>-</u>	<u>-</u>	<u>-</u>
(h) Admitted capital deferred tax assets (2e99 - 2f - 2g)	<u>-</u>	<u>-</u>	<u>-</u>
(i) Admitted deferred tax assets (2d + 2h)	<u>12,267,434</u>	<u>15,500,154</u>	<u>(3,232,720)</u>
3 Deferred tax liabilities:			
(a) Ordinary:			
(1) Investments	69,360	42,394	26,966
(2) Fixed assets	31,386	36,187	(4,801)
(3) Deferred and uncollected premium	-	-	-
(4) Policyholder reserves	-	-	-
(5) Other (including items <5% of total ordinary tax liabilities)	<u>1,605,808</u>	<u>2,146,793</u>	<u>(540,985)</u>
(99) Subtotal	<u>1,706,554</u>	<u>2,225,374</u>	<u>(518,820)</u>
(b) Capital:			
(1) Investments	-	-	-
(2) Real estate	-	-	-
(3) Other (including items <5% of total capital tax liabilities)	<u>-</u>	<u>-</u>	<u>-</u>
(99) Subtotal	<u>-</u>	<u>-</u>	<u>-</u>
(c) Deferred tax liabilities (3a99 + 3b99)	<u>1,706,554</u>	<u>2,225,374</u>	<u>(518,820)</u>
4 Net deferred tax assets/liabilities (2i - 3c)	<u>\$ 10,560,880</u>	<u>\$ 13,274,780</u>	<u>\$ (2,713,900)</u>

The other ordinary deferred tax asset of \$1,172,212 for 2019 consists of general expenses due and accrued of \$40,240 and LIHTC of \$1,131,972. The other ordinary deferred tax asset of \$927,262 for 2018 consists of general expenses due and accrued of \$36,084 and LIHTC of \$891,178.

The other deferred tax liability of \$1,605,808 for 2019 consists of discounting of unpaid losses of \$545,213 and guaranteed fund assessments of \$1,060,595. The other ordinary deferred tax liability of \$2,146,793 for 2018 consists of discounting of unpaid losses of \$664,480 and guaranteed fund assessments of \$1,482,313.

The Company assessed the potential realization of the gross deferred tax asset and established a valuation allowance of \$27,778 and \$13,927 to reduce the gross deferred tax asset to \$20,853,090 and \$17,206,235 as of December 31, 2019 and 2018, respectively, which represents the amount of the asset estimated to be recoverable via carryback of losses and reduction of future taxes. The change in the valuation allowance is attributable to the change in timing of deductibility of expenses and/or expectations for future taxable income.

- D. The provision for federal income taxes incurred (benefit) is different from that which would be obtained by applying the statutory federal income tax rate of 21% to net income before federal income taxes incurred (benefit), plus capital gains tax/less capital gains tax (benefit). A summarization of the significant items causing this difference as of December 31, 2019 and 2018 is as follows:

	2019		2018	
	Amount	Effective Tax Rate	Amount	Effective Tax Rate
Tax provision at the federal statutory rate	\$ 41,634,223	21%	\$ 35,535,502	21%
Capital gains	252,045	0.0%	62,626	0.0%
Total income tax	41,886,268	21%	35,598,128	21%
Tax-exempt interest	(314,958)	(0.2)%	(390,991)	(0.2)%
Health insurer fee	-	0.0%	5,442,704	3.2%
Current year tax credit	(2,109,624)	(1.1)%	(2,109,627)	(1.2)%
Other current year items	(660,126)	(0.3)%	(735,001)	(0.4)%
Tax effect of nonadmitted assets	(1,054,530)	(0.5)%	(1,015,325)	(0.6)%
Deferred corrections	(101,235)	(0.1)%	-	0.0%
Change in statutory valuation allowance	13,851	0.0%	(4,143)	0.0%
Total statutory income taxes	\$ 37,659,646	19.0%	\$ 36,785,745	21.7%
Federal income taxes incurred	\$ 41,552,564	21.0%	\$ 39,172,246	23.1%
Capital gains tax	272,757	0.1%	(83,475)	0.0%
Change in net deferred income tax	(4,165,675)	(2.1)%	(2,303,026)	(1.4)%
Total statutory income taxes	\$ 37,659,646	19.0%	\$ 36,785,745	21.7%

- E. At December 31, 2019, the Company had no net operating loss carryforwards.

Current federal income taxes recoverable of \$10,582,310 and \$10,528,229 as of December 31, 2019 and 2018, respectively, are included in the statutory basis statements of admitted assets, liabilities, and capital and surplus. Federal income taxes paid, net of refunds were \$41,879,401 and \$17,615,381 in 2019 and 2018, respectively.

Federal income taxes incurred of \$41,260,689 and \$39,653,401 for 2019 and 2018, respectively, are available for recoupment in the event of future net losses.

The Company has not admitted any aggregate amounts of deposits that are included within Section 6603 ("Deposits made to suspend running of interest on potential underpayments, etc.") of the Internal Revenue Service ("IRS") Code.

- F. The Company is included in the consolidated federal income tax return with its ultimate parent, UnitedHealth Group. The entities included within the consolidated return are included in NAIC Statutory Statement Schedule Y—Information Concerning Activities of Insurer Members Of A Holding Company Group. Federal income taxes are paid to or refunded by UnitedHealth Group pursuant to the terms of a tax-sharing agreement, approved by the Board of Directors, under which taxes approximate the amount that would have been computed on a separate company basis, with the exception of net operating losses and capital losses. For these losses, the Company receives a benefit at the federal rate in the current year for current taxable losses incurred in that year to the extent losses can be utilized in the consolidated federal income tax return of UnitedHealth Group. UnitedHealth Group currently files income tax returns in the U.S. federal jurisdiction, various states, and foreign jurisdictions. The IRS has completed exams on UnitedHealth Group's consolidated income tax returns for fiscal years 2016 and prior. UnitedHealth Group's 2017, 2018 and 2019 tax returns are under review by the IRS under its Compliance Assurance Program. With the exception of a few states, UnitedHealth Group is no longer subject to income tax examinations prior to 2013 in major state and foreign jurisdictions. The Company does not believe any adjustments that may result from these examinations will be material to the Company.

- G. **Tax Contingencies** — Not applicable.

- H. **Repatriation Transition Tax** — Not applicable.

- I. **Alternative Minimum Tax Credit** — Not applicable.

10. INFORMATION CONCERNING PARENT, SUBSIDIARIES, AND AFFILIATES

A–O. Material Related Party Transactions

Management believes that the Company’s transactions with affiliates are fair and reasonable; however, operations of the Company may not be indicative of those that would have occurred if it had operated as an independent company.

In the ordinary course of business, the Company contracts with several affiliates to provide a wide variety of services to the Company’s members. These agreements are filed with and approved by the Department according to Management’s understanding of the current requirements and standards. Within the confines of the applicable filed and approved agreements (including subsequent amendments thereto), the amount and types of services provided by these affiliated entities can change year over year.

The administrative services, access fees, and cost of care services provided by affiliates are calculated using one or more of the following methods: (1) a percentage of premiums; (2) use of assets; (3) direct pass-through of charges; (4) per member per; (5) per employee per month; (6) per claim; or (7) a combination thereof consistent with the provisions contained in each contract. These amounts are included in GAE, CAE, and hospital and medical expenses in the statutory basis statements of operations. The following table identifies the amounts for the administrative services, access fees, and cost of care services provided by related parties for the years ended December 31, 2019 and 2018, which meet the disclosure requirements pursuant to SSAP No. 25, *Affiliates and Other Related Parties*, regardless of the effective date of the contract:

	2019	2018
United HealthCare Services, Inc	\$ 179,629,310	\$ 131,315,517
OptumRx, Inc.	40,546,669	39,377,231
Dental Benefit Providers, Inc.	5,190,241	3,921,262

UHS provides, or arranges for the provision of, management, administrative, and other services deemed necessary or appropriate for UHS to provide management and operational support to the Company. The services can include, but are not limited to, the categories of management and operational services outlined in the Agreement, such as human resources, legal, facilities, general administration, treasury and investment functions, claims adjudication and payment, benefit administration, disease management, health care decision support, provider networks, quality oversight and wellness management. The amount charged to the Company for the management and operational services provided by UHS are calculated pursuant to the Agreement.

OptumRx provides services that may include, but are not limited to, administrative services related to pharmacy management and pharmacy claims processing for enrollees, pharmacy incentive services, specialty drug pharmacy services, durable medical equipment services

Dental Benefit Providers, Inc. provides dental care assistance.

Company holds a \$150,000,000 subordinated revolving credit agreement with UnitedHealth Group at an interest rate of London InterBank Offered Rate plus a margin of 0.50%. This credit agreement is subordinate to the extent it does not conflict with any credit facility held by either party. The credit agreement is for a one-year term and automatically renews annually, unless terminated by either party. The agreement was renewed effective July 31, 2019. No amounts were outstanding under the line of credit as of December 31, 2019 and 2018. The total amount of interest paid or still accrued on all

In addition to the agreements above, UHS maintains a private short-term investment pool in which affiliated companies may participate (see Note 1). At December 31, 2019 and 2018, the Company’s portion was \$75,391,520 and \$59,451,536, respectively, and is included in short-term investments in the statutory basis statements of admitted assets, liabilities, and capital and surplus.

The Company has a Tax Sharing Agreement with UnitedHealth Group (see Note 9).

The Company paid dividends of \$130,000,000 and \$82,000,000 in 2019 and 2018, respectively, to its parent (see Note 13).

At December 31, 2019 and 2018, the Company reported \$0 and \$1,487,932, respectively, as receivables from parent, subsidiaries and affiliates, net, and \$1,055,298 and \$0, respectively, as amounts due to parent, subsidiaries, and affiliates, net which are included in the statutory basis statements of admitted assets, liabilities, and capital and surplus. These balances are generally settled within 90 days from the incurred date. Any balances due to the Company that are not settled within 90 days are considered nonadmitted assets.

The Company has not extended any guarantees or undertakings for the benefit of an affiliate or related party.

The Company does not have any amount deducted from the value of an upstream intermediate entity or ultimate parent owned, either directly or indirectly, via a downstream subsidiary, controlled, or affiliated entity.

The Company does not have any investments in a subsidiary, controlled, or affiliated entity that exceeds 10% of admitted assets.

The Company does not have any investments in impaired subsidiaries, controlled, or affiliated entities.

The Company does not have any investments in foreign insurance subsidiaries.

The Company does not hold any investments in a downstream noninsurance holding company.

The Company does not have any investments in noninsurance subsidiaries, controlled, or affiliated entities.

The Company does not have any investments in insurance subsidiaries, controlled, or affiliated entities.

**11. DEBT**

**A–B.** The Company had no outstanding debt with third-parties or outstanding Federal Home Loan Bank agreements during 2019 and 2018.

**12. RETIREMENT PLANS, DEFERRED COMPENSATION, POSTEMPLOYMENT BENEFITS AND COMPENSATED ABSENCES AND OTHER POSTRETIREMENT BENEFIT PLANS**

**A–I.** The Company has no defined benefit plans, defined contribution plans, multiemployer plans, consolidated/holding company plans, postemployment benefits, or compensated absences plans and is not impacted by the Medicare Modernization Act on postretirement benefits, since all personnel are employees of UHS, which provides services to the Company under the terms of the Agreement (see Note 10).

**13. CAPITAL AND SURPLUS, SHAREHOLDERS' DIVIDEND RESTRICTIONS, AND QUASI-REORGANIZATIONS**

- (1–2)** The Company has 1,000,000 shares authorized and 815,676 shares issued and outstanding of \$4 par value common stock. The Company has no preferred stock outstanding. All issued and outstanding shares of common stock are held by the Company's parent, GRFC.
- (3)** The maximum amount of dividends which can be paid by insurance companies which are regulated under the State of Indiana holding company statutes without prior approval of the Department is restricted to the greater of statutory net gain from operations (before realized gains (losses)) for the preceding year or 10% of statutory policyholder surplus at the end of the preceding year. The maximum dividend allowable in 2020 without prior approval of the Department is \$156,705,643.
- (4)** The Company paid an ordinary cash dividends to GRFC of \$65,000,000 on September 12, 2019 and December 16, 2019 which required no approval and was recorded as a reduction to unassigned surplus in the statutory basis statements of admitted assets, liabilities, and capital and surplus.
- (5)** The amount of ordinary dividends that may be paid out during any given period is subject to certain restrictions as specified by state statute.
- (6)** There are no restrictions placed on the Company's unassigned surplus.
- (7)** The Company is not a mutual reciprocal or a similarly organized entity and does not have advances to surplus not repaid.
- (8)** The Company does not hold any stock, including stock of affiliated companies for special purposes, such as conversion of preferred stock, employee stock options, or stock purchase warrants.
- (9)** For the year ended December 31, 2019, the amount of the estimated Section 9010 ACA subsequent fee year assessment apportioned out of unassigned surplus was \$23,897,844. As discussed in Note 1, in 2018 no amount was required to be apportioned out of unassigned surplus for the Section 9010 ACA subsequent fee year assessment.

(10) The portion of unassigned surplus, excluding the apportionment of estimated Section 9010 ACA subsequent fee year assessment, change in accounting principles, correction(s) of error(s), net income (loss), and dividends or infusions, represented (or reduced) by each item below is as follows:

	2019	2018	Change
Net deferred income taxes	\$ 19,146,536	\$ 14,980,861	\$ 4,165,675
Nonadmitted assets	(28,262,793)	(16,361,648)	(11,901,145)
Asset valuation reserve	(1,592,963)	(1,453,281)	(139,682)
Surplus due to reinsurance	<u>6,746,967</u>	<u>8,546,155</u>	<u>(1,799,188)</u>
Total	<u>\$ (3,962,253)</u>	<u>\$ 5,712,087</u>	<u>\$ (9,674,340)</u>

(11-13) The Company does not have any outstanding surplus notes and has never been a party to a quasi-reorganization.

14. LIABILITIES, CONTINGENCIES AND ASSESSMENTS

A. Contingent Commitments

The Company has no contingent commitments.

B. Assessments

(1) A liability for guaranty fund assessments is accrued after the insolvency has occurred. A liability for other assessments is accrued based upon historical trends. A liability for guaranty fund and other assessments of \$10,614,664 and \$11,849,526 and an asset for related premium tax offsets of \$6,405,034 and \$5,803,039 are included in the statutory basis statements of admitted assets, liabilities, and capital and surplus as of December 31, 2019 and 2018, respectively. The Company incurred assessment expense of \$(1,719,365) and \$(1,258,989) for 2019 and 2018, respectively, which are included in insurance taxes, licenses, and fees in the statutory basis statements of operations. The Company takes credits on its premium tax returns based upon pre-determined guidance from the assessing state.

(2) Assets recognized from paid and accrued premium tax offsets and policy surcharges are presented below:

a. Assets recognized from paid and accrued premium tax offsets and policy surcharges prior year-end	\$ 5,803,039
b. Decreases current year:	
Policy surcharges collected	-
Policy surcharges charged off	623,470
Premium tax offset applied	<u>11,875,269</u>
c. Increases current year:	
Policy surcharges collected	-
Policy surcharges charged off	-
Premium tax offset applied	<u>13,100,734</u>
d. Assets recognized from paid and accrued premium tax offsets and policy surcharges current year-end	<u>\$ 6,405,034</u>

(3) Under state guaranty association laws, certain insurance companies can be assessed (up to prescribed limits) for certain obligations to the policyholders and claimants of impaired or insolvent insurance companies that write the same line or similar lines of business. On March 1, 2017, the Commonwealth of Pennsylvania Court entered the written liquidation orders regarding Penn Treaty Network America Insurance Company and its subsidiary ("Penn Treaty"). As of December 31, 2019 and 2018, the Company has recorded \$4,721,991 and \$5,465,496, respectively, for its estimated share of the guaranty association assessment liability and \$3,008,818 and \$2,688,716, respectively, for its associated premium tax credit asset resulting from the Penn Treaty liquidation, which is included in taxes, licenses and fees due or accrued, excluding federal income taxes and guaranty funds receivable or on deposit, respectively, in the statutory basis financial statements. While the ultimate payment timing and associated recovery is currently unknown, the Company initially anticipated that the majority of the assessments would be paid within five years. Management of the Company has subsequently learned that some states have opted to defer the funding to later years and while this impacts the aggregation tables, it does not have a significant financial impact on the guaranty association assessment liability and related expense or the associated premium tax credit asset.

As of December 31, 2019, assessments from insolvencies is presented below:

- a. Discount Rate Applied 

3.5%
- b. The Undiscounted and Discounted Amount of the Guaranty Fund Assessments and Related Assets by Insolvency;

Name of the Insolvency	Guaranty Fund Assessment		Related Assets	
	Undiscounted	Discounted	Undiscounted	Discounted
Penn Treaty	\$ 8,024,069	\$ 4,721,991	\$ 3,483,119	\$ 3,008,818

- c. Number of Jurisdictions, Ranges of Years Used to Discount and Weighted Average Number of Years of the Discounting Time Period for Payables and Recoverables by Insolvency;

Name of the Insolvency	Payables			Recoverables		
	Number of Jurisdictions	Range of Years	Weighted Average of Number of Years	Number of Jurisdictions	Range of Years	Weighted Average of Number of Years
Penn Treaty	27	1-50	32	29	2-30	10

C. Gain Contingencies

The Company is not aware of any gain contingencies that should be disclosed in the statutory basis financial statements.

D. Claims Related Extra Contractual Obligation and Bad Faith Losses Stemming from Lawsuits — Not applicable.

E. Joint and Several Liabilities — Not applicable.

F. All Other Contingencies

The Company’s business is regulated at the federal, state, and local levels. The laws and rules governing the Company’s business and interpretations of those laws and rules are subject to frequent change. Broad latitude is given to the agencies administering those regulations. Further, the Company must obtain and maintain regulatory approvals to market and sell many of its products.

The ACA and the related federal and state regulations will continue to impact how the Company does business and could restrict revenue and enrollment growth in certain products and market segments, restrict premium growth rates for certain products and market segments, increase the Company’s medical and administrative costs, expose the Company to an increased risk of liability (including increasing the Company’s liability in federal and state courts for coverage determinations and contract interpretation), or put the Company at risk for loss of business. In addition, the Company’s statutory basis results of operations, financial condition, and cash flows could be materially adversely affected by such changes. The ACA may create new or expand existing opportunities for business growth, but due to its complexity, the long term impact of the ACA remains difficult to predict and is not yet fully known.

The Company has been, or is currently involved, in various governmental investigations, audits and reviews. These include routine, regular and special investigations, audits and reviews by CMS (including risk data validation audits, if applicable), state insurance and health and welfare departments and other governmental authorities. The Company cannot reasonably estimate the range of loss, if any, that may result from any material government investigations, audits and reviews in which it is currently involved given the inherent difficulty in predicting regulatory action, fines and penalties, if any, and the various remedies and levels of judicial review available to the Company in the event of an adverse finding.

Because of the nature of its businesses, the Company is frequently made party to a variety of legal actions and regulatory inquiries, including class actions and suits brought by members, care providers, consumer advocacy organizations, customers and regulators, relating to the Company’s businesses, including management and administration of health benefit plans and other services.

The Company records liabilities for its estimates of probable costs resulting from these matters where appropriate. Estimates of costs resulting from legal and regulatory matters involving the Company are inherently difficult to predict, particularly where the matters: involve indeterminate claims for monetary damages or may involve fines, penalties or punitive damages; present novel legal theories or represent a shift in regulatory policy; involve a large number of claimants or regulatory bodies; are in the early stages of the proceedings; or could result in a change in business practices. Accordingly, the Company is often unable to estimate the losses or ranges of losses for those matters where there is a reasonable possibility or it is probable that a loss may be incurred. Although the outcomes of any such legal actions cannot be predicted, in the opinion of management, the resolution of any currently pending or threatened actions will not have a material adverse effect on the statutory basis statements of admitted assets, liabilities, and capital and surplus or statutory basis statements of operations of the Company.

The Company routinely evaluates the collectability of all receivable amounts included in the statutory basis statements of admitted assets, liabilities, and capital and surplus. Impairment reserves are established for those amounts where collectability is uncertain. Based on the Company's past experience, exposure related to uncollectible balances and the potential of loss for those balances not currently reserved for is not material to the Company's statutory basis financial condition.

There are no assets that the Company considers to be impaired at December 31, 2019 and 2018, except as disclosed in Note 5 and Note 20.

## 15. LEASES

**A–B.** According to the Agreement between the Company and UHS (see Note 10), operating leases for the rental of office facilities and equipment are the responsibility of UHS. Fees associated with the lease agreements are included as a component of the Company's management fee.

In 2019 and 2018, the amount of imputed rent relating to the Company's occupancy of its own buildings, which is included in both net investment income and general insurance expenses in the statutory basis statements of operations, was \$676,662 and \$1,351,765, respectively.

## 16. INFORMATION ABOUT FINANCIAL INSTRUMENTS WITH OFF-BALANCE-SHEET RISK AND FINANCIAL INSTRUMENTS WITH CONCENTRATIONS OF CREDIT RISK

**(1–4)** The Company does not hold any financial instruments with off-balance-sheet risk or have any concentrations of credit risk.

## 17. SALE, TRANSFER, AND SERVICING OF FINANCIAL ASSETS AND EXTINGUISHMENTS OF LIABILITIES

**A–C.** The Company did not participate in any transfer of receivables, financial assets or wash sales.

## 18. GAIN OR LOSS TO THE REPORTING ENTITY FROM UNINSURED PLANS AND THE UNINSURED PORTION OF PARTIALLY INSURED PLANS

**A–C.** The Company does not have any uninsured or partially insured accident and health plans.

## 19. DIRECT PREMIUM WRITTEN/PRODUCED BY MANAGING GENERAL AGENTS/THIRD-PARTY ADMINISTRATORS

The Company did not have any direct premiums written or produced by managing general agents or third-party administrators in 2019 and 2018.

## 20. FAIR VALUE MEASUREMENT

The NAIC SAP defines fair value, establishes a framework for measuring fair value, and outlines the disclosure requirements related to fair value measurements. The fair value hierarchy is as follows:

*Level 1*—Quoted (unadjusted) prices for identical assets in active markets.

*Level 2*—Other observable inputs, either directly or indirectly, including:

- Quoted prices for similar assets in active markets;
- Quoted prices for identical or similar assets in nonactive markets (few transactions, limited information, noncurrent prices, high variability over time, etc.);
- Inputs other than quoted prices that are observable for the asset (interest rates, yield curves, volatilities, default rates, etc.);
- Inputs that are derived principally from or corroborated by other observable market data.

*Level 3*—Unobservable inputs that cannot be corroborated by observable market data.

The estimated fair values of bonds and short-term investments are based on quoted market prices, where available. The Company obtains one price for each security primarily from a third-party pricing service (“pricing service”), which generally uses quoted prices or other observable inputs for the determination of fair value. The pricing service normally derives the security prices through recently reported trades for identical or similar securities, making adjustments through the reporting date based upon available observable market information. For securities not actively traded, the pricing service may use quoted market prices of comparable instruments or discounted cash flow analyses, incorporating inputs that are currently observable in the markets for similar securities. Inputs that are often used in the valuation methodologies include, but are not limited to, non-binding broker quotes, benchmark yields, credit spreads, default rates, and prepayment speeds. As the Company is responsible for the determination of fair value, it performs quarterly analyses on the prices received from the pricing service to determine whether the prices are reasonable estimates of fair value. Specifically, the Company compares the prices received from the pricing service to a secondary pricing source, prices reported by its custodian, its investment consultant, and third-party investment advisors. Additionally, the Company compares changes in the reported market values and returns to relevant market indices to test the reasonableness of the reported prices. The Company’s internal price verification procedures and review of fair value methodology documentation provided by independent pricing services have not historically resulted in an adjustment in the prices obtained from the pricing service.

In instances in which the inputs used to measure fair value fall into different levels of the fair value hierarchy, the fair value measurement has been determined based on the lowest-level input that is significant to the fair value measurement in its entirety. The Company’s assessment of the significance of a particular item to the fair value measurement in its entirety requires judgment, including the consideration of inputs specific to the asset or liability.

**A. Fair Value**

**(1) Fair Value Measurements at Reporting Date**

The following table presents information about the Company’s financial assets that are measured and reported at fair value at December 31, 2019 and December 31, 2018 in the statutory basis statements of admitted assets, liabilities, and capital and surplus according to the valuation techniques the Company used to determine their fair values:

Description for Each Class of Asset or Liability	December 31, 2019				Total
	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	
a. Assets at fair value:					
Perpetual preferred stock:					
Industrial and misc	\$ -	\$ -	\$ -	\$ -	\$ -
Parent, subsidiaries, and affiliates	-	-	-	-	-
Total perpetual preferred stocks	-	-	-	-	-
Bonds:					
U.S. governments	-	-	-	-	-
Industrial and misc	-	-	-	-	-
Hybrid securities	-	-	-	-	-
Parent, subsidiaries, and affiliates	-	-	-	-	-
Total bonds	-	-	-	-	-
Common stock:					
Industrial and misc	-	-	-	-	-
Parent, subsidiaries, and affiliates	-	-	-	-	-
Total common stock	-	-	-	-	-
Derivative assets:					
Interest rate contracts	-	-	-	-	-
Foreign exchange contracts	-	-	-	-	-
Credit contracts	-	-	-	-	-
Commodity futures contracts	-	-	-	-	-
Commodity forward contracts	-	-	-	-	-
Total derivatives	-	-	-	-	-
Money-market funds	2,208,429	-	-	-	2,208,429
Separate account assets	-	-	-	-	-
Total assets at fair value/NAV	\$ 2,208,429	\$ -	\$ -	\$ -	\$ 2,208,429
b. Liabilities at fair value:					
Derivative liabilities	-	-	-	-	-
Total liabilities at fair value	\$ -	\$ -	\$ -	\$ -	\$ -

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Description for Each Class of Asset or Liability	December 31, 2018				
	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Total
a. Assets at fair value:					
Perpetual preferred stock:					
Industrial and misc	\$ -	\$ -	\$ -	\$ -	\$ -
Parent, subsidiaries, and affiliates	-	-	-	-	-
Total perpetual preferred stocks	-	-	-	-	-
Bonds:					
U.S. governments	-	-	-	-	-
Industrial and misc	-	-	-	-	-
Hybrid securities	-	-	-	-	-
Parent, subsidiaries, and affiliates	-	-	-	-	-
Total bonds	-	-	-	-	-
Common stock:					
Industrial and misc	-	-	-	-	-
Parent, subsidiaries, and affiliates	-	-	-	-	-
Total common stock	-	-	-	-	-
Derivative assets:					
Interest rate contracts	-	-	-	-	-
Foreign exchange contracts	-	-	-	-	-
Credit contracts	-	-	-	-	-
Commodity futures contracts	-	-	-	-	-
Commodity forward contracts	-	-	-	-	-
Total derivatives	-	-	-	-	-
Money-market funds	2,986,971	-	-	-	2,986,971
Separate account assets	-	-	-	-	-
Total assets at fair value/NAV	<u>\$ 2,986,971</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,986,971</u>
b. Liabilities at fair value:					
Derivative liabilities	\$ -	\$ -	\$ -	\$ -	-
Total liabilities at fair value	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The Company considers its investments in LIHTC investments as a Level 3 investment even though no market valuation was required as of December 31, 2019 and 2018. As a result, these investments are excluded from being presented as a Level 3 security in the fair value hierarchy tables above. As there is no readily available market, these securities are recorded at book/adjusted carrying value and considered held to maturity as they will not be sold.

There were no transfers between Levels 1 and 2 during the years ended December 31, 2019 and 2018.

(2) The Company does not have any financial assets with a fair value hierarchy of Level 3 that were measured and reported at fair value.

The Company does consider its investments in LIHTC investments as a Level 3 investment as there is no readily available market. As a result these investments are recorded and reported at book value of \$9,597,212 and \$11,616,984 as of December 31, 2019 and 2018.

(3) Transfers between fair value hierarchy levels, if any, are recorded as of the beginning of the reporting period in which the transfer occurs. There were no transfers between Levels 1, 2 or 3 of any financial assets or liabilities during the years ended December 31, 2019 or 2018.

(4) **Investments** — Fair values of debt securities are based on quoted market prices, where available. The Company obtains one price for each security primarily from a pricing service, which generally uses quoted prices or other observable inputs for the determination of fair value. The pricing service normally derives the security prices through recently reported trades for identical or similar securities, and, if necessary, makes adjustments through the reporting date based upon available observable market information. For securities not actively traded, the pricing service may use quoted market prices of comparable instruments or discounted cash flow analyses, incorporating inputs that are currently observable in the markets for similar securities. Inputs that are often used in the valuation methodologies include, but are not limited to, benchmark yields, credit spreads, default rates, prepayment speeds and non-binding broker quotes. As the Company is responsible for the determination of fair value, it performs quarterly analyses on the prices received from the pricing service to determine whether the prices are reasonable estimates of fair value. Specifically, the Company compares the prices received from the pricing service to prices reported by a secondary pricing source, such as its custodian, its investment consultant and third-party investment advisors. Additionally, the Company compares changes in the reported market values and returns to relevant market indices to test the reasonableness of the reported prices. The Company’s internal price verification procedures and reviews of fair value methodology documentation provided by independent pricing services have not historically resulted in adjustment in the prices obtained from the pricing service.

**LIHTC Investments** — The Company does consider its investments in LIHTC investments as a Level 3 investment even though no market valuation adjustment was required as of December 31, 2019 and 2018. As there is no readily available market, these securities are recorded and reported at book/adjusted carrying value and considered held to maturity as they will not be sold. Should any contractual breakage occur that jeopardizes the ability to receive the tax credits associated with these securities, impairments will be recognized. As of December 31, 2019, all of these investments are performing in accordance with their original contract terms.

(5) The Company has no derivative assets and liabilities to disclose.

B. **Fair Value Combination** — Not applicable.

C. **Aggregate Fair Value Hierarchy**

The aggregate fair value by hierarchy of all financial instruments as of December 31, 2019 and 2018 is presented in the table below:

	December 31, 2019						
Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Not Practicable (Carrying Value)
U.S. government and agency securities	\$ 122,153,711	\$ 120,477,733	\$ 55,970,150	\$ 66,183,561	\$ -	\$ -	\$ -
State and agency municipal securities	29,938,744	29,034,868	-	29,938,743	-	-	-
City and county municipal securities	61,129,783	59,533,016	-	61,129,782	-	-	-
Corporate debt securities (includes commercial paper)	321,955,248	318,161,654	75,391,520	246,563,727	-	-	-
Cash equivalents	4,756,846	4,756,846	4,756,846	-	-	-	-
Other invested assets	9,597,212	9,597,212	-	-	9,597,212	-	-
Total bonds, short-term investments, and other invested assets	<u>\$ 549,531,544</u>	<u>\$ 541,561,329</u>	<u>\$ 136,118,516</u>	<u>\$ 403,815,813</u>	<u>\$ 9,597,212</u>	<u>\$ -</u>	<u>\$ -</u>

	December 31, 2018						
Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Not Practicable (Carrying Value)
U.S. government and agency securities	\$ 83,029,317	\$ 85,340,887	\$ 49,872,214	\$ 33,157,103	\$ -	\$ -	\$ -
State and agency municipal securities	58,457,626	58,335,649	-	58,457,626	-	-	-
City and county municipal securities	53,379,250	53,240,243	-	53,379,250	-	-	-
Corporate debt securities (includes commercial paper)	247,743,836	249,905,416	59,451,536	188,292,300	-	-	-
Other invested assets	11,616,984	11,616,984	-	-	11,616,984	-	-
Total bonds, short-term investments, and other invested assets	<u>\$ 454,227,013</u>	<u>\$ 458,439,179</u>	<u>\$ 109,323,750</u>	<u>\$ 333,286,279</u>	<u>\$ 11,616,984</u>	<u>\$ -</u>	<u>\$ -</u>

D. **Not Practicable to Estimate Fair Value** — Not applicable.

E. **Investments Measured Using the NAV Practical Expedient** — Not applicable.

21. **OTHER ITEMS**

The Company is now including money-market funds in the 2019 Note 20A (1) Fair Value Measurements at Reporting Date table. The Company has elected to present similar activity and include the 2018 Note 20A (1) Fair Value Measurements at Reporting Date table for comparability. Similarly, the Company is now including cash equivalents (which includes money-market funds) in the 2019 Note 20C Aggregate Fair Value Hierarchy table. The Company has elected to present similar activity in the 2018 Note 20C Aggregate Fair Value Hierarchy table for comparability.

**A. Unusual or Infrequent Items**

The Company did not encounter any unusual or infrequent items for the years ended December 31, 2019 and 2018.

**B. Troubled Debt Restructuring: Debtors**

The Company has no troubled debt restructurings as of December 31, 2019 and 2018.

**C. Other Disclosures**

The Company does not have any amounts not recorded in the statutory basis financial statements that represent segregated funds held for others. The Company also does not have any exposures related to forward commitments that are not derivative instruments.

**D. Business Interruption Insurance Recoveries**

The Company has not received any business interruption insurance recoveries during 2019 and 2018.

**E. State Transferable and Non-transferable Tax Credits**

The Company has no transferable or non-transferable state tax credits.

**F. Sub-Prime Mortgage-Related Risk Exposure**

- (1) The investment policy for the Company limits investments in loan-backed securities, which includes sub-prime issuers. Further, the policy limits investments in private-issuer mortgage securities to 10% of the portfolio, which also includes sub-prime issuers. The exposure to unrealized losses on sub-prime issuers is due to changes in market prices. There are no realized losses due to not receiving anticipated cash flows. The investments covered have an NAIC designation of 1 or 2.
- (2) The Company has no direct exposure through investments in sub-prime mortgage loans.
- (3) The Company has no direct exposure through other investments.
- (4) The Company has no underwriting exposure to sub-prime mortgage risk through mortgage guaranty or financial guaranty insurance coverage.

**G. Retained Assets**

The Company does not have any retained asset accounts for beneficiaries.

**H. Insurance-Linked Securities Contracts**

As of December 31, 2019, the Company is not aware of any possible proceeds of insurance-linked securities

**I. The Amount That Could Be Realized on Life Insurance Where the Reporting Entity is Owner and Beneficiary or Has Otherwise Obtained Rights to Control the Policy — Not applicable.**

**22. EVENTS SUBSEQUENT**

Subsequent events have been evaluated through February 28, 2020 which is the date these statutory basis financial statements were available for issuance.

**TYPE I — Recognized Subsequent Events**

Any material Type I events subsequent to December 31, 2019, have been recognized in the statutory basis financial statements and corresponding disclosures.

**TYPE II — Non-Recognized Subsequent Events**

The Company is subject to the annual fee under Section 9010 of the ACA. The fee is allocated to individual health insurers based on the ratio of the amount of the entity's net premiums written during the preceding calendar year to the amount of the health insurance for any U.S. health risk that is written during the preceding calendar year. A health insurance entity's portion of the annual fee becomes payable once the entity provides health insurance for any U.S. health risk for each calendar year beginning on or after January 1, of the year the fee is due.

As of December 31, 2019, the Company has written health insurance subject to the ACA assessment, expects to conduct health insurance business in 2020, and estimates its portion of the annual health insurance industry fee payable on September 30, 2020 to be \$23,897,844. This amount has been

apportioned out of unassigned surplus and is reflected as Section 9010 ACA subsequent fee year assessment in the statutory basis financial statements. In accordance with the 2019 HIF moratorium, no amounts were required to be apportioned out of unassigned surplus in 2018 (see Note 1). The Company's Authorized Control Level RBC ("ACL RBC") ratio was 539% as of December 31, 2019. Reporting the ACA assessment as a liability as of December 31, 2019, would not have triggered an RBC action level.

The table below presents information regarding the annual fee under Section 9010 of the ACA as of December 31, 2019 and 2018:

	2019	2018
A. Did the reporting entity write accident and health insurance premium that is subject to Section 9010 of the Federal Affordable Care Act (YES/NO)?	<div>Yes</div>	
B. ACA fee assessment payable for the upcoming year	\$ -	\$ -
C. ACA fee assessment paid	-	25,917,638
D. Premium written subject to ACA 9010 assessment	1,252,808,735	-
E. Total Adjusted Capital before surplus adjustment (Five-Year Historical Line 30)	260,600,311	
F. Total Adjusted Capital after surplus adjustment (Five-Year Historical Line 30 minus 22B above)	260,600,311	
G. Authorized Control Level (Five-Year Historical Line 31)	48,337,807	
H. Would reporting the ACA assessment as of December 31, 20XX, have triggered an RBC action level (YES/NO)?	<div>No</div>	

There are no other material non-recognized Type II events that require disclosure.

23. REINSURANCE

**Reinsurance Agreements**—In the normal course of business, the Company seeks to reduce potential losses that may arise from catastrophic events that cause unfavorable underwriting results by reinsuring certain levels of such risk with nonaffiliated reinsurers. The Company remains primarily liable as the direct insurer on all risks reinsured.

Pursuant to Section 1341 of the ACA, through 2017, the Company was subject to the reinsurance provisions for compliant individual policies (see Note 24).

The Company cedes 100% of the total risk on individual life policies, except group life and term life rider. The ceding commission, net of tax, generated from entering into this agreement was recorded directly to surplus in 2005. Per SSAP No. 61, *Life, Deposit-Type and Accident and Health Reinsurance*, the net ceding commission is to be amortized back into income with a corresponding decrease to surplus. The rate of amortization is based upon the Company's projected income on that block of business had it not entered into the transaction. The impact of this treatment is to increase net income and have no effect on surplus.

For accident and health and disability policies, the Company has established various limits of coverage it will retain on any one policyholder and cedes the remainder of such coverage.

One reinsurer accounted for all of the Company's December 31, 2019 and 2018, ceded reserves for life and accident and health insurance. The Company remains obligated for amounts ceded in the event that reinsurers do not meet their obligations.

The effect of both internal and external reinsurance agreements outlined above on premiums for life and accident and health contracts—net and disability benefits and benefits under accident and health insurance contracts is presented below:

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	2019	2018
Premiums for life and accident and health contracts:		
Direct	\$ 1,492,211,291	\$ 1,289,765,572
Ceded:		
Nonaffiliate	<u>(22,186,225)</u>	<u>(25,757,011)</u>
Net premiums for life and accident and health contracts	<u>\$ 1,470,025,066</u>	<u>\$ 1,264,008,561</u>
Disability benefits and benefits under accident and health insurance contracts:		
Direct	\$ 915,880,385	\$ 823,948,747
Ceded:		
Nonaffiliate	<u>-</u>	<u>-</u>
Net disability benefits and benefits under accident and health insurance contracts:	<u>\$ 915,880,385</u>	<u>\$ 823,948,747</u>

The Company recognized reinsurance recoveries related to external reinsurance agreements of \$16,590 and \$313,546 in 2019 and 2018, respectively, which are recorded as net reinsurance recoveries in the statutory basis statements of operations. In addition, reinsurance recoverables related to external reinsurance agreements of \$0 and \$9,273 for paid losses are recorded as amounts recoverable from reinsurers in 2019 and 2018, respectively, in the statutory basis statements of admitted assets, liabilities, and capital and surplus.

**A. Ceded Reinsurance Report**

**Section 1 — General Interrogatories**

- (1) Are any of the reinsurers, listed in Schedule S as non-affiliated, owned in excess of 10% or controlled, either directly or indirectly, by the Company or by any representative, officer, trustee, or director of the Company?

Yes ( ) No (X)

- (2) Have any policies issued by the Company been reinsured with a company chartered in a country other than the United States (excluding U.S. branches of such companies) that is owned in excess of 10% or controlled directly or indirectly by an insured, a beneficiary, a creditor, or any other person not primarily engaged in the insurance business?

Yes ( ) No (X)

**Section 2 — Ceded Reinsurance Report—Part A**

- (1) Does the Company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credit?

Yes ( ) No (X)

- (2) Does the reporting entity have any reinsurance agreements in effect that the amount of losses paid or accrued through the statement date may result in a payment to the reinsurer of amounts that, in aggregate and allowing for offset of mutual credits from other reinsurance agreements with the same reinsurer, exceed the total direct premium collected under the reinsured policies?

Yes ( ) No (X)

**Section 3 — Ceded Reinsurance Report—Part B**

- (1) What is the estimated amount of the aggregate reduction in surplus (for agreements other than those under which the reinsurer may unilaterally cancel for reasons other than for nonpayment of premium or other similar credits that are reflected in Section 2 above) of termination of all reinsurance agreements, by either party, as of the date of this statement? Where necessary, the Company may consider the current or anticipated experience of the business reinsured in making this estimate.

The Company estimates there should be no aggregate reduction in surplus for termination of all reinsurance agreements as of December 31, 2019.

- (2) Have any new agreements been executed or existing agreements amended, since January 1 of the year of this statement, to include policies or contracts that were in force or which had existing reserves established by the Company as of the effective date of the agreement?

Yes ( ) No (X)

- B. Uncollectible Reinsurance** — During 2019 and 2018, there were no uncollectible reinsurance recoverables.
- C. Commutation of Ceded Reinsurance** — There was no commutation of reinsurance in 2019 or 2018.
- D. Certified Reinsurer Rating Downgraded or Status Subject to Revocation** — Not applicable.
- E–G. Affiliated Captive Reinsurers** — Not applicable.

**24. RETROSPECTIVELY RATED CONTRACTS AND CONTRACTS SUBJECT TO REDETERMINATION**

- A.** The Company estimates accrued retrospective premium adjustments for its group health insurance business based on mathematical calculations in accordance with contractual terms.
- B.** Estimated accrued retrospective premiums from the Company are recorded in provision for experience rating refunds in the statutory basis statements of admitted assets, liabilities, and capital and surplus and as an adjustment to premiums written for life and accident and health contracts—net in the statutory basis statements of operations.
- C.** Pursuant to the ACA, the Company’s commercial business is subject to retrospectively rated features based on the actual medical loss ratios experienced on the commercial lines of business. The formula is calculated pursuant to the ACA guidance. The total amount of direct premiums written for the commercial lines of business subject to the retrospectively rated features was \$766,277,329 and \$846,029,995, representing 52% and 67% of total direct premiums written as of December 31, 2019 and 2018, respectively.
- D.** The Company does not have Medicare business subject to specific minimum loss ratio requirements as of December 31, 2019 and 2018. The Company is required to maintain a specific minimum loss ratio on the comprehensive commercial line of business.

The following table discloses the minimum medical loss ratio rebate liability which is included in provision for experience rating refunds in the statutory basis statements of admitted assets, liabilities, and capital and surplus for the years ended December 31, 2019 and 2018:

	1	2	3	4	5
	Individual	Small Group Employer	Large Group Employer	Other Categories with Rebates	Total
Prior reporting year					
(1) Medical loss ratio rebates incurred	\$ 2,506,012	\$ -	\$ -	\$ -	\$2,506,012
(2) Medical loss ratio rebates paid	4,200,251	-	-	-	4,200,251
(3) Medical loss rebates unpaid	2,240,125	-	-	-	2,240,125
(4) Plus reinsurance assumed amount	XXX	XXX	XXX	XXX	-
(5) Less reinsurance ceded amounts	XXX	XXX	XXX	XXX	-
(6) Rebates unpaid net of reinsurance	XXX	XXX	XXX	XXX	2,240,125
Current reporting year-to-date					
(7) Medical loss ratio rebates incurred	469,690	-	-	-	469,690
(8) Medical loss ratio rebates paid	1,423,180	-	-	-	1,423,180
(9) Medical loss rebates unpaid	1,286,635	-	-	-	1,286,635
(10) Plus reinsurance assumed amount	XXX	XXX	XXX	XXX	-
(11) Less reinsurance ceded amounts	XXX	XXX	XXX	XXX	-
(12) Rebates unpaid net of reinsurance	XXX	XXX	XXX	XXX	1,286,635

**E. Risk-Sharing Provisions of the Affordable Care Act**

- (1) The Company has accident and health insurance premiums in 2019 and 2018 subject to the risk-sharing provisions of the ACA.

The ACA imposes fees and premium stabilization provisions on health insurance issuers offering comprehensive commercial health insurance. The three premium stabilization programs are commonly referred to as the 3Rs—risk adjustment, reinsurance, and risk corridor.

**Risk Adjustment** — The permanent risk adjustment program, designed to mitigate the potential impact of adverse selection and provide stability for health insurance issuers, applies to all non-grandfathered plans not subject to transitional relief in the individual and small group markets both inside and outside of the insurance exchanges. Effective for 2018 benefit plan year, the risk adjustments and distributions are calculated using a high-cost risk pool which adds a reinsurance-like element to this program. The operation of the high-cost risk pools exclude a percentage of costs above a threshold level determined by federal regulations. The program operates two national high-cost risk pools, one for individuals and one for small groups. Premium adjustments pursuant to the risk adjustment program are accounted for as premium subject to redetermination and user fees are accounted for as assessments.

**Reinsurance** — The transitional reinsurance program was designed to protect issuers in the individual market from an expected increase in large claims due to the elimination of preexisting condition limitations. The transitional reinsurance program was effective from 2014 through 2016 and applied to all issuers of major medical commercial products and third-party administrators. Contributions attributable to enrollees in the ACA compliant individual plans, including program administrative costs, were accounted for as ceded premium and payments received were accounted for as ceded benefit recoveries. The portion of the individual contributions earmarked for the U.S. Treasury was accounted for as an assessment. Contributions made for enrollees in fully insured plans other than the ACA compliant individual plans, including program administrative costs and payments to the U.S. Treasury, were treated as assessments.

**Risk Corridors** — The temporary risk corridors program, designed to provide some aggregate protection against variability for issuers in the individual and small group markets during the period 2014 through 2016, applied to Qualified Health Plans in the individual and small group markets both inside and outside of the insurance exchanges. Premium adjustments pursuant to the risk corridors program were accounted for as premium adjustments for retrospectively rated contracts.

(2) The following table presents the current year impact of risk-sharing provisions of the ACA on assets, liabilities and operations:

a. Permanent ACA Risk Adjustment Program		December 31, 2019
<u>Assets</u>		
1. Premium adjustments receivable due to ACA Risk Adjustment (including high risk pool payments)	\$	-
<u>Liabilities</u>		
2. Risk adjustment user fees payable for ACA Risk Adjustment		-
3. Premium adjustments payable due to ACA Risk Adjustment (including high risk pool premium)		1,882,565
<u>Operations (Revenue &amp; Expense)</u>		
4. Reported as revenue in premium for accident and health contracts (written/collected) due to ACA Risk Adjustment		(1,882,565)
5. Reported in expenses as ACA risk adjustment user fees (incurred/paid)		-
b. Transitional ACA Reinsurance Program		
<u>Assets</u>		
1. Amounts recoverable for claims paid due to ACA Reinsurance	\$	-
2. Amounts recoverable for claims unpaid due to ACA Reinsurance (Contra Liability)		-
3. Amounts receivable relating to uninsured plans for contributions for ACA Reinsurance		-
<u>Liabilities</u>		
4. Liabilities for contributions payable due to ACA Reinsurance - not reported as ceded premium		-
5. Ceded reinsurance premiums payable due to ACA Reinsurance		-
6. Liability for amounts held under uninsured plans contributions for ACA Reinsurance		-
<u>Operations (Revenue &amp; Expense)</u>		
7. Ceded reinsurance premiums due to ACA Reinsurance		-
8. Reinsurance recoveries (income statement) due to ACA reinsurance payments or expected payments	\$	7,317
9. ACA Reinsurance contributions - not reported as ceded premium		-
c. Temporary ACA Risk Corridors Program		
<u>Assets</u>		
1. Accrued retrospective premium due to ACA Risk Corridors	\$	-
<u>Liabilities</u>		
2. Reserve for rate credits or policy experience rating refunds due to ACA Risk Corridors		-
<u>Operations (Revenue &amp; Expense)</u>		
3. Effect of ACA Risk Corridors on net premium income (paid/received)		-
4. Effect of ACA Risk Corridors on change in reserves for rate credits		-

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(3) The following table is a rollforward of the prior year ACA risk-sharing provisions for asset and liability balances, along with reasons for adjustments to prior year balances:

	Accrued During the Prior Year on Business Written before December 31 of the Prior Year		Received or Paid as of the Current Year on Business Written before December 31 of the Prior Year		Differences		Adjustments		Ref	Unsettled Balances as of the Reporting Date	
					Prior Year Accrued Less Payments (Col 1 - 3)	Prior Year Accrued Less Payments (Col 2 - 4)	To Prior Year Balances	To Prior Year Balances		Cumulative Balance from Prior Years (Col 1 - 3 + 7)	Cumulative Balance from Prior Years (Col 2 - 4 + 8)
	1	2	3	4	5	6	7	8		9	10
	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)		Receivable	(Payable)
a. Permanent ACA Risk Adjustment Program											
1. Premium Adjustment Receivable (including high risk pool payments)	\$ 27,402	\$ -	\$ 27,402	\$ -	\$ -	\$ -	\$ -	\$ -	A	\$ -	\$ -
2. Premium Adjustment (Payable) (including high risk pool premium)	-	-	-	-	-	-	-	(1,882,565)	B	-	(1,882,565)
3. Subtotal ACA Permanent Risk Adjustment Program	27,402	-	27,402	-	-	-	-	(1,882,565)		-	(1,882,565)
b. Transitional ACA Reinsurance Program											
1. Amounts recoverable for claims paid	9,273	-	16,590	-	(7,317)	-	7,317	-	C	-	-
2. Amounts recoverable for claims unpaid (contra liability)	-	-	-	-	-	-	-	-	D	-	-
3. Amounts receivable relating to uninsured plans	-	-	-	-	-	-	-	-	E	-	-
4. Liabilities for contributions payable due to ACA Reinsurance—not reported as ceded premium	-	-	-	-	-	-	-	-	F	-	-
5. Ceded reinsurance premiums payable	-	-	-	-	-	-	-	-	G	-	-
6. Liability for amounts held under uninsured plans	-	-	-	-	-	-	-	-	H	-	-
7. Subtotal ACA Transitional Reinsurance Program	9,273	-	16,590	-	(7,317)	-	7,317	-		-	-
c. Temporary ACA Risk Corridors Program											
1. Accrued retrospective premium	-	-	-	-	-	-	-	-	I	-	-
2. Reserve for rate credits or policy experience rating refunds	-	-	-	-	-	-	-	-	J	-	-
3. Subtotal ACA Risk Corridors Program	-	-	-	-	-	-	-	-		-	-
d. Total for ACA Risk-Sharing Provisions	\$ 36,675	\$ -	\$ 43,992	\$ -	\$ (7,317)	\$ -	\$ 7,317	\$(1,882,565)		\$ -	\$ (1,882,565)

- Explanation of Adjustments
- A. N/A
- B. The risk adjustment payable as of December 31, 2019 was adjusted based on the final CMS Summary Report on Permanent Risk Adjustment Transfers for the 2018 Benefit Year. The risk adjustment payable as of December 31, 2018 utilized paid claims through October 31, 2018. The adjustment to the December payable balance reflects the true up to final results for the 2018 Benefit Year. The risk adjustment payable as of December 31, 2019 was further adjusted based on the CMS Summary Report of 2017
- C. Actual reinsurance receipts exceeded anticipated results due to a higher final coinsurance rate.
- D. N/A
- E. N/A
- F. N/A
- G. N/A
- H. N/A
- I. N/A
- J. N/A

(4) The Company does not have any risk corridor receivables or payables to present.

(5) The Company does not have any risk corridor receivables to present

**25. CHANGE IN INCURRED CLAIMS AND CLAIMS ADJUSTMENT EXPENSES**

- A.** This disclosure only relates to accident and health contracts. The reserve for life and annuity contracts are included in a separate disclosure (see Note 31). The disclosure for loss adjustment expenses is included in Note 35.

Changes in estimates related to the prior year incurred claims are included in disability benefits and benefits under accident and health insurance contracts—net in the current year in the statutory basis statements of operations. The following table summarizes changes in aggregate reserves for accident and health contracts and contract claims for accident and health policies for the years ended December 31, 2019 and 2018:

	<b>2019</b>	<b>2018</b>
Unpaid claim reserves for accident and health and contract claims for accident and health policies at January 1	\$ 132,522,686	\$ 152,101,561
Incurred benefits* related to:		
Current year	946,969,098	876,011,283
Prior years	<u>(31,010,400)</u>	<u>(52,499,860)</u>
Total incurred	<u>915,958,698</u>	<u>823,511,423</u>
Paid claims* related to:		
Current year	767,964,926	743,964,200
Prior years	<u>101,133,553</u>	<u>99,126,097</u>
Total paid	<u>869,098,479</u>	<u>843,090,297</u>
Unpaid claim reserves for accident and health and contract claims for accident and health policies at December 31	179,382,905	132,522,688
Unearned premium reserve	53,800,814	53,728,789
Active life reserves	6,425,938	7,898,739
Section 1343 ACA risk adjustment payable	<u>1,882,565</u>	<u>-</u>
Total aggregate reserves for accident and health and contract claims for accident and health policies	<u>\$ 241,492,222</u>	<u>\$ 194,150,216</u>

\*Includes the impact of the change in health care receivable and reinsurance recoverable activity and corresponding collections as of December 31, 2019 and December 31, 2018

Actual claims incurred in 2019 related to prior years were lower than the contract claims and aggregate reserves for accident and health contracts at December 31, 2018 by \$31,010,400. The favorable reserve development resulted primarily from the favorable settlement or outcome of certain claims and ongoing analysis of recent loss development trends. Original estimates are increased or decreased as additional information becomes known regarding medical inflation trends, changes in utilization of health care services, changes in claims submission or payment patterns, and other relevant factors. Actual claims incurred in 2018 related to prior years were lower than the contract claims and aggregate reserves for accident and health contracts at December 31, 2017 by \$52,499,860. The unusually favorable result arose primarily due to two factors at year-end 2017. First, claims in the fourth quarter of 2017 incurred at a lower rate relative to earlier parts of the year than had been observed in recent years. Second, the average time required to process claims decreased significantly in the latter half of 2017 after the elimination of certain products and through the increased use of claims auto-adjudication. While the sources underlying the latter factor were identified at the time, their influence on claims processing speed proved to be more significant than expected and contributed to the overestimation of unpaid claims at year-end 2017.

- B.** The Company did not make any significant changes in methodologies and assumptions used in the calculation of aggregate reserve for accident and health contracts and contract claims for accident and health policies in 2019.

**26. INTERCOMPANY POOLING ARRANGEMENTS**

**A–G.** The Company did not have any intercompany pooling arrangements in 2019 or 2018.

**27. STRUCTURED SETTLEMENTS**

**A–B.** The Company did not have structured settlements in 2019 or 2018.

28. HEALTH CARE RECEIVABLES

- A. Pharmacy rebates receivable are recorded when reasonably estimated or billed by the affiliated pharmaceutical benefit manager in accordance with pharmaceutical rebate contract provisions. Information used to support rebates billed to the manufacturer is based on utilization information gathered by the pharmaceutical benefit manager and adjusted for significant changes in pharmaceutical contract provisions.

The Company evaluates admissibility of all pharmacy rebates receivable based on the administration of each underlying pharmaceutical benefit management agreement. The Company has nonadmitted and excluded all pharmacy rebates receivable that do not meet the admissibility criteria of SSAP No. 84, *Certain Health Care Receivables and Receivables under Government Insured Plans* ("SSAP No. 84") from the statutory basis statements of admitted assets, liabilities, and capital and surplus.

For each pharmaceutical management agreement for which a portion of the total pharmacy rebates receivable can be admitted based on the admissibility criteria of SSAP No. 84, the pharmacy rebate transaction history is summarized as follows:

Quarter	Estimated Pharmacy Rebates as Reported on Financial Statements	Pharmacy Rebates as Billed or Otherwise Confirmed	Actual Rebates Received within 90 Days of Billing	Actual Rebates Received within 91 to 180 Days of Billing	Actual Rebates Received More than 180 Days after Billing
12/31/2019	\$ 5,420,569				
9/30/2019	5,459,609	4,849,479	2,076,637		
6/30/2019	5,581,376	5,308,070	1,380,892	3,243,978	
3/31/2019	5,531,286	5,165,275	2,652,012	1,548,766	479,187
12/31/2018	5,315,245	4,887,966	2,989,772	1,576,998	529,089
9/30/2018	5,144,785	4,728,674	2,959,790	1,395,915	587,217
6/30/2018	4,595,655	4,926,372	2,963,384	1,667,925	513,503
3/31/2018	4,958,116	4,541,515	1,927,067	2,256,815	310,297
12/31/2017	5,125,611	4,675,504	2,504,836	1,962,896	171,903
9/30/2017	5,122,263	4,731,292	2,329,784	2,078,283	256,040
6/30/2017	5,408,044	5,049,614	1,750,188	2,568,441	691,105
3/31/2017	5,204,880	4,982,756	913,022	3,267,290	735,946

Of the amount reported as health care receivables, \$8,083,992 and \$6,554,702 relates to pharmacy rebates receivable as of December 31, 2019 and 2018, respectively. This increase is primarily due to increased membership along with the change in generic/name brand mix.

- B. The Company does not have any risk-sharing receivables.

29. PARTICIPATING POLICIES

The Company did not have any participating contracts in 2019 or 2018.

30. PREMIUM DEFICIENCY RESERVES

The Company has not recorded any PDR as of December 31, 2019 or 2018. The analysis of PDR was completed as of December 31, 2019 and 2018. The Company did consider anticipated investment income when calculating the PDR.

The following table summarizes the Company's PDR as of December 31, 2019 and 2018:

	2019
1. Liability carried for premium deficiency reserves	\$ -
2. Date of the most recent evaluation of this liability	<div>12/31/2019</div>
3. Was anticipated investment income utilized in this calculation?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
	2018
1. Liability carried for premium deficiency reserves	\$ -
2. Date of the most recent evaluation of this liability	<div>12/31/2018</div>
3. Was anticipated investment income utilized in this calculation?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>

31. RESERVES FOR LIFE CONTRACTS AND ANNUITY CONTRACTS

- (1)

The Company waives deduction of deferred fractional premiums upon death of an insured and returns any portion of the final premium beyond the date of death. Surrender values are not promised in excess of the legally computed reserves.
- (2)

Extra premiums are charged for substandard lives for life policies, plus the gross premium for a rated age. Mid-terminal reserves are determined by computing the regular mid-terminal reserve for the plan at the rated age and, in addition, holding one-half of the extra premium charge for the year.
- (3)

The Company had no insurance in-force at December 31, 2019, for which the gross premiums are less than the net premiums according to the standard valuation set by the State of Indiana. Reserves to cover the above insurance totaled the gross amount of \$0 at December 31, 2019.
- (4)

Tabular Interest has been determined by formulas as prescribed by the NAIC.  
  
The Tabular Less Actual Reserve Released has been determined by formula as prescribed by the NAIC.  
  
Tabular Cost has been determined by a formula as prescribed by the NAIC.
- (5)

For the determination of Tabular Interest on funds not involving life contingencies for each valuation rate of interest, the tabular interest is calculated as one hundredth of the product of such valuation rate of interest times the mean of the amount of funds subject to such valuation rate of interest held at the beginning and end of the year of valuation.
- (6)

The Company made no other changes to the reserving methodology during 2019.  
  
Pursuant to an indemnity reinsurance agreement the Company cedes all life and annuity business, excluding group life and term life rider business. A ceding commission of \$44,430,417, net of tax, was received by the Company of which \$1,799,188 and \$1,799,190, net of tax, was recognized as ceded commissions in the statutory basis statements of operations during 2019 and 2018.

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Golden Rule Insurance Company

The valuation method used for life and annuity policies and contracts at December 31, 2019 and 2018 is as follows:

	<u>2019</u>	<u>2018</u>
1958 CSO ALB 3% CRVM	\$ 1,584,159	\$ 1,718,909
1958 CSO ALB 4 1/2% CRVM	16,681,488	16,965,508
1971 IAM 3 1/2 — 8 1/2%	349,420,758	383,206,480
1983 IAM 5 1/4 — 11%	668,595	779,261
1980 CSO 4 1/2 — 5 1/2% CRVM	1,134,032,695	1,170,571,272
Other	27,474,953	34,897,957
Reinsurance credit	<u>(1,528,637,799)</u>	<u>(1,606,824,819)</u>
Total aggregate reserves for life contracts and contract claims for life contracts	<u>\$ 1,224,849</u>	<u>\$ 1,314,568</u>

Policy reserves have been reduced at December 31, 2019 and 2018, by \$1,524,211,704 and \$1,599,393,063, respectively, for reinsurance ceded (including reinsurance on annuity and deposit fund liabilities). Claim liabilities, which are included in contract claims - life, have been reduced at December 31, 2019 and 2018, by \$6,142,335 and \$9,184,428 respectively, for reinsurance ceded.

The Company recognized reinsurance recoveries of \$99,398,878 and \$104,717,084 in 2019 and 2018, respectively, which are netted against death benefits in the statutory basis statements of operations.

32. ANALYSIS OF ANNUITY ACTUARIAL RESERVES AND DEPOSIT-TYPE CONTRACT LIABILITIES BY WITHDRAWAL CHARACTERISTICS

At December 31, 2019 and 2018, total annuity actuarial reserves, deposit-type contract funds, and other liabilities without life or disability contingencies by withdrawal characteristics are as follows:

A. Individual Annuities:

2019					
	General Account	Separate Account with Guarantees	Separate Account Nonguaranteed	Total	% of Total
(1) Subject to discretionary withdrawal:					
a. With market value adjustment	\$ 4,690,060	\$ -	\$ -	\$ 4,690,060	1.3 %
b. At book value less current surrender charge of 5% or more	-	-	-	-	- %
c. At fair value	-	-	-	-	- %
d. Total with market value adjustment or at fair value (total of a through c)	4,690,060	-	-	4,690,060	1.3 %
e. At book value without adjustment (minimal or no charge or adjustment)	341,977,673	-	-	341,977,673	97.2 %
(2) Not subject to discretionary withdrawal	5,203,945	-	-	5,203,945	1.5 %
(3) Total (gross: direct + assumed)	351,871,678	-	-	351,871,678	100.0 %
(4) Reinsurance ceded	351,871,678	-	-	351,871,678	
(5) Total (net)* (3) - (4)	\$ -	\$ -	\$ -	\$ -	
(6) Amount included in A(1)b above that will move to A(1)e in the year after the statement date:	\$ -	\$ -	\$ -	\$ -	

\* Reconciliation of total annuity actuarial reserves and deposit fund liabilities.

2018					
	General Account	Separate Account with Guarantees	Separate Account Nonguaranteed	Total	% of Total
(1) Subject to discretionary withdrawal:					
a. With market value adjustment	\$ 5,008,252	\$ -	\$ -	\$ 5,008,252	1.3 %
b. At book value less current surrender charge of 5% or more	-	-	-	-	- %
c. At fair value	-	-	-	-	- %
d. Total with market value adjustment or at fair value (total of a through c)	5,008,252	-	-	5,008,252	1.3 %
e. At book value without adjustment (minimal or no charge or adjustment)	375,395,452	-	-	375,395,452	97.3 %
(2) Not subject to discretionary withdrawal	5,403,523	-	-	5,403,523	1.4 %
(3) Total (gross: direct + assumed)	385,807,227	-	-	385,807,227	100 %
(4) Reinsurance ceded	385,807,227	-	-	385,807,227	
(5) Total (net)* (3) - (4)	\$ -	\$ -	\$ -	\$ -	
(6) Amount included in A(1)b above that will move to A(1)e in the year after the statement date:	\$ -	\$ -	\$ -	\$ -	

\* Reconciliation of total annuity actuarial reserves and deposit fund liabilities.

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Golden Rule Insurance Company

B. Group Annuities:

2019					
	General Account	Separate Account with Guarantees	Separate Account Nonguaranteed	Total	% of Total
(1) Subject to discretionary withdrawal:					
a. With market value adjustment	\$ -	\$ -	\$ -	\$ -	- %
b. At book value less current surrender charge of 5% or more	-	-	-	-	- %
c. At fair value	-	-	-	-	- %
d. Total with market value adjustment or at fair value (total of a through c)	-	-	-	-	- %
e. At book value without adjustment (minimal or no charge or adjustment)	-	-	-	-	- %
(2) Not subject to discretionary withdrawal	-	-	-	-	- %
(3) Total (gross: direct + assumed)	-	-	-	-	- %
(4) Reinsurance ceded	-	-	-	-	
(5) Total (net)* (3) - (4)	\$ -	\$ -	\$ -	\$ -	
(6) Amount included in B(1)b above that will move to B(1)e in the year after the statement date:	\$ -	\$ -	\$ -	\$ -	

2018					
	General Account	Separate Account with Guarantees	Separate Account Nonguaranteed	Total	% of Total
(1) Subject to discretionary withdrawal:					
a. With market value adjustment	\$ -	\$ -	\$ -	\$ -	- %
b. At book value less current surrender charge of 5% or more	-	-	-	-	- %
c. At fair value	-	-	-	-	- %
d. Total with market value adjustment or at fair value (total of a through c)	-	-	-	-	- %
e. At book value without adjustment (minimal or no charge or adjustment)	-	-	-	-	- %
(2) Not subject to discretionary withdrawal	-	-	-	-	- %
(3) Total (gross: direct + assumed)	-	-	-	-	- %
(4) Reinsurance ceded	-	-	-	-	
(5) Total (net)* (3) - (4)	\$ -	\$ -	\$ -	\$ -	
(6) Amount included in B(1)b above that will move to B(1)e in the year after the statement date:	\$ -	\$ -	\$ -	\$ -	

C. Deposit-Type Contracts (no life contingencies):

2019					
	General Account	Separate Account with Guarantees	Separate Account Nonguaranteed	Total	% of Total
¶(1) Subject to discretionary withdrawal:					
a. With market value adjustment	\$ -	\$ -	\$ -	\$ -	- %
b. At book value less current surrender charge of 5% or more	-	-	-	-	- %
c. At fair value	-	-	-	-	- %
d. Total with market value adjustment or at fair value (total of a through c)	-	-	-	-	- %
e. At book value without adjustment (minimal or no charge or adjustment)	-	-	-	-	- %
¶(2) Not subject to discretionary withdrawal	-	-	-	-	- %
¶(3) Total (gross: direct + assumed)	-	-	-	-	- %
¶(4) Reinsurance ceded	-	-	-	-	
¶(5) Total (net)* (3) - (4)	\$ -	\$ -	\$ -	\$ -	
¶(6) Amount included in C(1)b above that will move to C(1)e in the year after the statement date:	\$ -	\$ -	\$ -	\$ -	

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Golden Rule Insurance Company

	2018				
	General Account	Separate Account with Guarantees	Separate Account Nonguaranteed	Total	% of Total
(1) Subject to discretionary withdrawal:					
a. With market value adjustment	\$ -	\$ -	\$ -	\$ -	- %
b. At book value less current surrender charge of 5% or more	-	-	-	-	- %
c. At fair value	-	-	-	-	- %
d. Total with market value adjustment or at fair value (total of a through c)	-	-	-	-	- %
e. At book value without adjustment (minimal or no charge or adjustment)	-	-	-	-	- %
(2) Not subject to discretionary withdrawal	-	-	-	-	- %
(3) Total (gross: direct + assumed)	-	-	-	-	- %
(4) Reinsurance ceded	-	-	-	-	
(5) Total (net)* (3) - (4)	\$ -	\$ -	\$ -	\$ -	
(6) Amount included in C(1)b above that will move to C(1)e in the year after the statement date:	\$ -	\$ -	\$ -	\$ -	

D. A reconciliation of annuity reserves and deposit fund liabilities to Aggregate Reserves for Life Policies and Contracts Exhibit and Deposit Funds and Other Liabilities without Life or Disability Contingencies Exhibit, of the Life, Accident and Health Annual Statement and the corresponding lines in the Separate Accounts Statement, are as follows:

	2019	2018
Life Accident & Health Annual Statement		
1. Exhibit 5, Annuities Section, Total (net)	\$ -	\$ -
2. Exhibit 5, Supplementary Contracts with Life Contingencies Section, Total (net)	-	-
3. Exhibit 7, Deposit-Type Contracts, Line 14, Column 1	-	-
4. Subtotal	-	-
Separate Accounts Annual Statement		
5. Exhibit 3, Line 02999999, Column 2	-	-
6. Exhibit 3, Line 03999999, Column 2	-	-
7. Policyholder dividend and coupon accumulations	-	-
8. Policyholder premiums	-	-
9. Guaranteed interest contracts	-	-
10. Other contract deposit funds	-	-
11. Subtotal	-	-
12. Combined Total	\$ -	\$ -

33. ANALYSIS OF LIFE ACTUARIAL RESERVES BY WITHDRAWAL CHARACTERISTICS

A–E. At December 31, 2019 and 2018, total life actuarial reserves by withdrawal characteristics are as follows:

2019						
	General Account			Separate Account - Guaranteed and Nonguaranteed		
	Account Value	Cash Value	Reserve	Account Value	Cash Value	Reserve
A. Subject to discretionary withdrawal, surrender values, or policy loans:						
(1) Term Policies with Cash Value	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(2) Universal Life	998,495,933	998,897,690	1,024,541,244	-	-	-
(3) Universal Life with Secondary Guarantees	-	-	-	-	-	-
(4) Indexed Universal Life	-	-	-	-	-	-
(5) Indexed Universal Life with Secondary Guarant	-	-	-	-	-	-
(6) Indexed Life	-	-	-	-	-	-
(7) Other Permanent Cash Value Life Insurance	-	3,916,163	4,003,952	-	-	-
(8) Variable Life	-	-	-	-	-	-
(9) Variable Universal Life	-	-	-	-	-	-
(10) Miscellaneous Reserves	-	-	-	-	-	-
B. Not subject to discretionary withdrawal or no cash values:						
(1) Term Policies without Cash Value	XXX	XXX	32,782,169	XXX	XXX	-
(2) Accidental Death Benefits	XXX	XXX	337,119	XXX	XXX	-
(3) Disability - Active Lives	XXX	XXX	69,778,219	XXX	XXX	-
(4) Disability - Disabled Lives	XXX	XXX	39,235,071	XXX	XXX	-
(5) Miscellaneous Reserves	XXX	XXX	1,937,486	XXX	XXX	-
C. Total (Gross: Direct + Assumed)	998,495,933	1,002,813,853	1,172,615,260	-	-	-
D. Reinsurance Ceded	998,495,933	1,002,813,853	1,172,340,024	-	-	-
E. Total (Net) (C) - (D)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 275,236</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

F. A reconciliation of total life actuarial reserves disclosed to Aggregate Reserves for Life Policies and Contracts Exhibit of the Life, Accident and Health Annual Statement and the corresponding lines in the Separate Accounts Statement, are as follows:

	2019
Life & Accident & Health Annual Statement	
(1) Exhibit 5, Life Insurance Section, Total (net)	\$ 275,236
(2) Exhibit 5, Accidental Death Benefits Section, Total (net)	-
(3) Exhibit 5, Disability - Active Lives Section, Total (net)	-
(4) Exhibit 5, Disability - Disabled Lives Section, Total (net)	-
(5) Exhibit 5, Miscellaneous Reserves Section, Total (net)	-
(6) Subtotal	<u>275,236</u>
Separate Accounts Annual Statement:	
(7) Exhibit 3, Line 0199999, Column 2	-
(8) Exhibit 3, Line 0499999, Column 2	-
(9) Exhibit 3, Line 0599999, Column 2	-
(10) Subtotal (Lines (7) through (9))	<u>-</u>
(11) Combined Total ((6) and (10))	<u>\$ 275,236</u>

34. PREMIUM AND ANNUITY CONSIDERATIONS DEFERRED AND UNCOLLECTED

A. Deferred and uncollected group life insurance premiums, gross and net of loading, were as follows:

Type	2019	
	Gross	Net of Loading
(1) Industrial	\$ -	\$ -
(2) Ordinary new business	9,444	7,870
(3) Ordinary renewal	-	-
(4) Credit life	-	-
(5) Group life	5,392	5,236
(6) Group annuity	-	-
(7) Totals	<u>\$ 14,836</u>	<u>\$ 13,106</u>

Type	2018	
	Gross	Net of Loading
(1) Industrial	\$ -	\$ -
(2) Ordinary new business	7,360	6,134
(3) Ordinary renewal	5,967	5,746
(4) Credit life	-	-
(5) Group life	7,189	6,980
(6) Group annuity	-	-
(7) Totals	<u>\$ 20,516</u>	<u>\$ 18,860</u>

35. SEPARATE ACCOUNTS

A–C. The Company does not have separate account business as of December 31, 2019 and 2018.

36. LOSS/CLAIM ADJUSTMENT EXPENSES

A. The following table summarizes changes in unpaid CAE for the years ended December 31, 2019 and 2018, which are included in general expenses due or accrued in the statutory basis statements of admitted assets, liabilities, and capital and surplus:

	2019	2018
Unpaid claims adjustment expenses—January 1	<u>\$ 2,509,153</u>	<u>\$ 2,797,228</u>
Incurring claims adjustment expenses related to:		
Current year	17,641,610	16,586,183
Prior years	<u>(618,024)</u>	<u>(911,393)</u>
Total incurred	<u>17,023,586</u>	<u>15,674,790</u>
Paid claims adjustment expenses related to:		
Current year	14,306,843	14,086,036
Prior years	<u>1,884,073</u>	<u>1,876,829</u>
Total paid	<u>16,190,916</u>	<u>15,962,865</u>
Unpaid claims adjustment expenses—December 31	<u>\$ 3,341,823</u>	<u>\$ 2,509,153</u>

B. The Company did not make any significant changes in methodologies and assumptions used in the calculation of unpaid CAE in 2019.

Due to the type of business being written with these licenses, the Company has no salvage. As of December 31, 2019 and 2018, the Company had no specific accruals established for outstanding subrogation, as it is considered a component of the actuarial calculations used to develop the estimates of incurred but not yet reported claims.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES  
GENERAL

1.1

Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? .....  
If yes, complete Schedule Y, Parts 1, 1A and 2

Yes ☒ No ☐

1.2

If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent, or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? .....

Yes ☒ No ☐ N/A ☐

1.3

State Regulating? .....

Indiana

1.4

Is the reporting entity publicly traded or a member of a publicly traded group? .....

Yes ☒ No ☐

1.5

If the response to 1.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group. ....

0000731766

2.1

Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? .....

Yes ☒ No ☐

2.2

If yes, date of change: .....

03/05/2019

3.1

State as of what date the latest financial examination of the reporting entity was made or is being made. ....

12/31/2017

3.2

State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. ....

12/31/2017

3.3

State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). ....

06/28/2019

3.4

By what department or departments?  
Indiana .....

3.5

Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? .....

Yes ☒ No ☐ N/A ☐

3.6

Have all of the recommendations within the latest financial examination report been complied with? .....

Yes ☒ No ☐ N/A ☐

4.1

During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity), receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:  
4.11 sales of new business? .....  
4.12 renewals? .....

Yes ☐ No ☒  
Yes ☐ No ☒

4.2

During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:  
4.21 sales of new business? .....  
4.22 renewals? .....

Yes ☐ No ☒  
Yes ☐ No ☒

5.1

Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? .....  
If yes, complete and file the merger history data file with the NAIC.

Yes ☐ No ☒

5.2

If yes, provide the name of the entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile
.....	.....	.....

6.1

Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? .....

Yes ☐ No ☒

6.2

If yes, give full information: .....

7.1

Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? .....

Yes ☐ No ☒

7.2

If yes,  
7.21 State the percentage of foreign control; .....  
7.22 State the nationality(s) of the foreign person(s) or entity(s) or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact; and identify the type of entity(s) (e.g., individual, corporation or government, manager or attorney in fact).

0.0 %

1 Nationality	2 Type of Entity
.....	.....

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Golden Rule Insurance Company

GENERAL INTERROGATORIES

- 8.1

Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes [ ] No [ X ]
- 8.2

If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3

Is the company affiliated with one or more banks, thrifts or securities firms?

Yes [ X ] No [ ]
- 8.4

If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

1	2	3	4	5	6
Affiliate Name	Location (City, State)	FRB	OCC	FDIC	SEC
Optum Bank, Inc.	Salt Lake City, UT			YES	

9.

What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?

Baker Tilly Virchow Krause LLP, Minneapolis, MN
- 10.1

Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation?

Yes [ ] No [ X ]
- 10.2

If the response to 10.1 is yes, provide information related to this exemption:
- 10.3

Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 18A of the Model Regulation, or substantially similar state law or regulation?

Yes [ ] No [ X ]
- 10.4

If the response to 10.3 is yes, provide information related to this exemption:
- 10.5

Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws?

Yes [ X ] No [ ] N/A [ ]
- 10.6

If the response to 10.5 is no or n/a, please explain
11.

What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?

Timothy Allen Luker, FSA MAAA, Director, Actuarial, UnitedHealth Group, 3100 AMS Boulevard, Green Bay, WI 54313
- 12.1

Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly?

Yes [ ] No [ X ]
- 12.11

Name of real estate holding company
- 12.12

Number of parcels involved

0
- 12.13

Total book/adjusted carrying value

\$0
- 12.2

If, yes provide explanation:
13.

FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:
- 13.1

What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?
- 13.2

Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located?

Yes [ ] No [ ]
- 13.3

Have there been any changes made to any of the trust indentures during the year?

Yes [ ] No [ ]
- 13.4

If answer to (13.3) is yes, has the domiciliary or entry state approved the changes?

Yes [ ] No [ ] N/A [ ]
- 14.1

Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?

Yes [ X ] No [ ]
- a.

Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- b.

Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- c.

Compliance with applicable governmental laws, rules and regulations;
- d.

The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- e.

Accountability for adherence to the code.
- 14.11

If the response to 14.1 is No, please explain:
- 14.2

Has the code of ethics for senior managers been amended?

Yes [ ] No [ X ]
- 14.21

If the response to 14.2 is yes, provide information related to amendment(s).
- 14.3

Have any provisions of the code of ethics been waived for any of the specified officers?

Yes [ ] No [ X ]
- 14.31

If the response to 14.3 is yes, provide the nature of any waiver(s).

## GENERAL INTERROGATORIES

- |                                                        |                                      |                                                          |             |
|--------------------------------------------------------|--------------------------------------|----------------------------------------------------------|-------------|
| 1<br>American Bankers Association (ABA) Routing Number | 2<br>Issuing or Confirming Bank Name | 3<br>Circumstances That Can Trigger the Letter of Credit | 4<br>Amount |
|                                                        |                                      |                                                          |             |

16.	Is the purchase or sale of all investments of the reporting entity passed upon either by the board of directors or a subordinate committee thereof? .....	Yes [ X ]	No [   ]
17.	Does the reporting entity keep a complete permanent record of the proceedings of its board of directors and all subordinate committees thereof? .....	Yes [ X ]	No [   ]
18.	Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict with the official duties of such person? .....	Yes [ X ]	No [   ]

19.	Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? .....	Yes [ <input type="checkbox"/> ]	No [ <input checked="" type="checkbox"/> ]
20.1	Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):	20.11 To directors or other officers.....\$	.....0
		20.12 To stockholders not officers.....\$	.....0
		20.13 Trustees, supreme or grand (Fraternal Only).....\$	.....0
20.2	Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):	20.21 To directors or other officers.....\$	.....0
		20.22 To stockholders not officers.....\$	.....0
		20.23 Trustees, supreme or grand (Fraternal Only).....\$	.....0
21.1	Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? .....	Yes [ <input type="checkbox"/> ]	No [ <input checked="" type="checkbox"/> ]
21.2	If yes, state the amount thereof at December 31 of the current year:	21.21 Rented from others.....\$	.....0
		21.22 Borrowed from others.....\$	.....0
		21.23 Leased from others.....\$	.....0
		21.24 Other.....\$	.....0
22.1	Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? .....	Yes [ <input checked="" type="checkbox"/> ]	No [ <input type="checkbox"/> ]
22.2	If answer is yes:	22.21 Amount paid as losses or risk adjustment \$	.....3,550
		22.22 Amount paid as expenses.....\$	.....276,574
		22.23 Other amounts paid.....\$	.....0
23.1	Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? .....	Yes [ <input type="checkbox"/> ]	No [ <input checked="" type="checkbox"/> ]
23.2	If yes, indicate any amounts receivable from parent included in the Page 2 amount: .....	\$	.....0

24.01	Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 24.03).....	Yes [ X ]	No [ ]
24.02	If no, give full and complete information relating thereto .....		
24.03	For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided) .....		
24.04	Does the Company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions? .....	Yes [ ]	No [ ] N/A [ X ]
24.05	If answer to 24.04 is yes, report amount of collateral for conforming programs. ....	\$ .....	0
24.06	If answer to 24.04 is no, report amount of collateral for other programs. ....	\$ .....	0
24.07	Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? .....	Yes [ ]	No [ ] N/A [ X ]
24.08	Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? .....	Yes [ ]	No [ ] N/A [ X ]
24.09	Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities lending Agreement (MSLA) to conduct securities lending? .....	Yes [ ]	No [ ] N/A [ X ]

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Golden Rule Insurance Company

GENERAL INTERROGATORIES

24.10 For the reporting entity's security lending program state the amount of the following as December 31 of the current year:

24.101	Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2.	\$	0
24.102	Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2.	\$	0
24.103	Total payable for securities lending reported on the liability page.	\$	0

25.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity, or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 24.03).

Yes [ X ] No [ ]

25.2	If yes, state the amount thereof at December 31 of the current year:	25.21 Subject to repurchase agreements	\$	0
		25.22 Subject to reverse repurchase agreements	\$	0
		25.23 Subject to dollar repurchase agreements	\$	0
		25.24 Subject to reverse dollar repurchase agreements	\$	0
		25.25 Placed under option agreements	\$	0
		25.26 Letter stock or securities restricted as to sale - excluding FHLB Capital Stock	\$	0
		25.27 FHLB Capital Stock	\$	0
		25.28 On deposit with states	\$	4,055,716
		25.29 On deposit with other regulatory bodies	\$	0
		25.30 Pledged as collateral - excluding collateral pledged to an FHLB	\$	0
		25.31 Pledged as collateral to FHLB - including assets backing funding agreements	\$	0
		25.32 Other	\$	0

25.3 For category (25.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount

26.1 Does the reporting entity have any hedging transactions reported on Schedule DB?

Yes [ ] No [ X ]

26.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?

Yes [ ] No [ ] N/A [ X ]

If no, attach a description with this statement.

LINES 26.3 through 26.5: FOR LIFE/FRATERNAL REPORTING ENTITIES ONLY:

26.3 Does the reporting entity utilize derivatives to hedge variable annuity guarantees subject to fluctuations as a result of interest rate sensitivity? ..

Yes [ ] No [ X ]

26.4	If the response to 26.3 is YES, does the reporting entity utilize:	26.41 Special accounting provision of SSAP No. 108	Yes [ ] No [ ]
		26.42 Permitted accounting practice	Yes [ ] No [ ]
		26.43 Other accounting guidance	Yes [ ] No [ ]

26.5 By responding YES to 26.41 regarding utilizing the special accounting provisions of SSAP No. 108, the reporting entity attests to the following:

Yes [ ] No [ ]

- The reporting entity has obtained explicit approval from the domiciliary state.
- Hedging strategy subject to the special accounting provisions is consistent with the requirements of VM-21.
- Actuarial certification has been obtained which indicates that the hedging strategy is incorporated within the establishment of VM-21 reserves and provides the impact of the hedging strategy within the Actuarial Guideline Conditional Tail Expectation Amount.
- Financial Officer Certification has been obtained which indicates that the hedging strategy meets the definition of a Clearly Defined Hedging Strategy within VM-21 and that the Clearly Defined Hedging Strategy is the hedging strategy being used by the company in its actual day-to-day risk mitigation efforts.

27.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity?

Yes [ ] No [ X ]

27.2 If yes, state the amount thereof at December 31 of the current year.

\$ 0

28. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?

Yes [ X ] No [ ]

28.01 For agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1 Name of Custodian(s)	2 Custodian's Address
Bank of New York Mellon	Global Liquidity Services 1 Wall St. 14th Floor New York NY 10286
Northern Trust	50 S. LaSalle Chicago IL 60675

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Golden Rule Insurance Company

GENERAL INTERROGATORIES

28.02 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)
N/A .....	.....	.....

28.03 Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year?..... Yes [ ] No [ X ]

28.04 If yes, give full and complete information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason
.....	.....	.....	.....

28.05 Investment management – Identify all investment advisors, investment managers, broker/dealers, including individuals that have the authority to make investment decisions on behalf of the reporting entity. For assets that are managed internally by employees of the reporting entity, note as such. ["...that have access to the investment accounts"; "...handle securities"]

1 Name of Firm or Individual	2 Affiliation
JPMorgan Investment Management Inc. ....	U.....
BNY Mellon Asset Management North America .....	U.....
Internally Managed .....	I.....

28.0597 For those firms/individuals listed in the table for Question 28.05, do any firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") manage more than 10% of the reporting entity's invested assets?..... Yes [ X ] No [ ]

28.0598 For firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") listed in the table for Question 28.05, does the total assets under management aggregate to more than 50% of the reporting entity's invested assets?..... Yes [ X ] No [ ]

28.06 For those firms or individuals listed in the table for 28.05 with an affiliation code of "A" (affiliated) or "U" (unaffiliated), provide the information for the table below.

1	2	3	4	5 Investment Management Agreement (IMA) Filed
Central Registration Depository Number	Name of Firm or Individual	Legal Entity Identifier (LEI)	Registered With	
107038 .....	JPMorgan Investment Management Inc. ....	549300W78QH4XMM6K69 .....	SEC .....	NO.....
105764 .....	BNY Mellon Asset Management North America .....	ME7YUCK4NF1W8VM8SP25 .....	SEC .....	NO.....

29.1 Does the reporting entity have any diversified mutual funds reported in Schedule D, Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5(b)(1)])? ..... Yes [ ] No [ X ]

29.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
29.2999 - Total		0

29.3 For each mutual fund listed in the table above, complete the following schedule:

1	2	3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	4 Date of Valuation
Name of Mutual Fund (from above table)	Name of Significant Holding of the Mutual Fund		
.....	.....	.....	.....

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GENERAL INTERROGATORIES

30. Provide the following information for all short-term and long-term bonds and all preferred stocks. Do not substitute amortized value or statement value for fair value.

	1	2	3
	Statement (Admitted) Value	Fair Value	Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds .....	529,755,687	537,725,900	7,970,213
30.2 Preferred stocks .....	0	0	0
30.3 Totals	529,755,687	537,725,900	7,970,213

30.4 Describe the sources or methods utilized in determining the fair values:  
For those securities that had prices in the NAIC SVO ISIS database, those prices were used; for those securities that did not have prices in the NAIC SVO ISIS database, pricing was obtained from Hub which is an external data sources vendor. Hub utilizes various pricing sources. .

31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D? ..... Yes [ ] No [ X ]

31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source? ..... Yes [ ] No [ ]

31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:  
N/A .....

32.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Investment Analysis Office been followed? ..... Yes [ X ] No [ ]

32.2 If no, list exceptions:  
N/A .....

33. By self-designating 5GI securities, the reporting entity is certifying the following elements of each self-designated 5GI security:  
a. Documentation necessary to permit a full credit analysis of the security does not exist or an NAIC CRP credit rating for an FE or PL security is not available.  
b. Issuer or obligor is current on all contracted interest and principal payments.  
c. The insurer has an actual expectation of ultimate payment of all contracted interest and principal.  
Has the reporting entity self-designated 5GI securities? ..... Yes [ ] No [ X ]

34. By self-designating PLGI securities, the reporting entity is certifying the following elements of each self-designated PLGI security:  
a. The security was purchased prior to January 1, 2018.  
b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.  
c. The NAIC Designation was derived from the credit rating assigned by an NAIC CRP in its legal capacity as a NRSRO which is shown on a current private letter rating held by the insurer and available for examination by state insurance regulators.  
d. The reporting entity is not permitted to share this credit rating of the PL security with the SVO.  
Has the reporting entity self-designated PLGI securities? ..... Yes [ ] No [ X ]

35. By assigning FE to a Schedule BA non-registered private fund, the reporting entity is certifying the following elements of each self-designated FE fund:  
a. The shares were purchased prior to January 1, 2019.  
b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.  
c. The security had a public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO prior to January 1, 2019.  
d. The fund only or predominantly holds bonds in its portfolio.  
e. The current reported NAIC Designation was derived from the public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO.  
f. The public credit rating(s) with annual surveillance assigned by an NAIC CRP has not lapsed.  
Has the reporting entity assigned FE to Schedule BA non-registered private funds that complied with the above criteria? ..... Yes [ ] No [ X ]

OTHER

36.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? .....\$ .....0

36.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to trade associations, service organizations and statistical or rating bureaus during the period covered by this statement.

1	2
Name	Amount Paid
.....	.....

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Golden Rule Insurance Company

**GENERAL INTERROGATORIES**

37.1 Amount of payments for legal expenses, if any? .....\$ .....0

37.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid
.....	.....

38.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? .....\$ .....0

38.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

1 Name	2 Amount Paid
.....	.....

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Golden Rule Insurance Company

GENERAL INTERROGATORIES

PART 2 - LIFE, ACCIDENT AND HEALTH COMPANIES/FRATERNAL BENEFIT SOCIETIES INTERROGATORIES

Life, Accident and Health Companies/Fraternal Benefit Societies:

1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? Yes [ X ] No [ ]

1.2 If yes, indicate premium earned on U.S. business only \$ 16,997,426

1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? \$ 0

1.31 Reason for excluding:

1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above. \$ 0

1.5 Indicate total incurred claims on all Medicare Supplement insurance. \$ 11,405,282

1.6 Individual policies:

Most current three years:

1.61 Total premium earned \$ 0

1.62 Total incurred claims \$ 0

1.63 Number of covered lives 0

All years prior to most current three years

1.64 Total premium earned \$ 16,997,426

1.65 Total incurred claims \$ 11,405,282

1.66 Number of covered lives 5,388

1.7 Group policies:

Most current three years:

1.71 Total premium earned \$ 0

1.72 Total incurred claims \$ 0

1.73 Number of covered lives 0

All years prior to most current three years

1.74 Total premium earned \$ 0

1.75 Total incurred claims \$ 0

1.76 Number of covered lives 0

2. Health Test:

	1 Current Year	2 Prior Year
2.1 Premium Numerator	1,451,025,803	1,229,292,631
2.2 Premium Denominator	1,470,025,066	1,264,008,561
2.3 Premium Ratio (2.1/2.2)	0.987	0.973
2.4 Reserve Numerator	230,843,431	183,996,818
2.5 Reserve Denominator	242,717,072	195,464,784
2.6 Reserve Ratio (2.4/2.5)	0.951	0.941

3.1 Does this reporting entity have Separate Accounts? Yes [ ] No [ X ]

3.2 If yes, has a Separate Accounts Statement been filed with this Department? Yes [ ] No [ ] N/A [ X ]

3.3 What portion of capital and surplus funds of the reporting entity covered by assets in the Separate Accounts statement, is not currently distributable from the Separate Accounts to the general account for use by the general account? \$ 0

3.4 State the authority under which Separate Accounts are maintained:

3.5 Was any of the reporting entity's Separate Accounts business reinsured as of December 31? Yes [ ] No [ ]

3.6 Has the reporting entity assumed by reinsurance any Separate Accounts business as of December 31? Yes [ ] No [ ]

3.7 If the reporting entity has assumed Separate Accounts business, how much, if any, reinsurance assumed receivable for reinsurance of Separate Accounts reserve expense allowances is included as a negative amount in the liability for "Transfers to Separate Accounts due or accrued (net)"? \$ 0

4. For reporting entities having sold annuities to another insurer where the insurer purchasing the annuities has obtained a release of liability from the claimant (payee) as the result of the purchase of an annuity from the reporting entity only:

4.1 Amount of loss reserves established by these annuities during the current year: \$ 0

4.2 List the name and location of the insurance company purchasing the annuities and the statement value on the purchase date of the annuities.

1	2 Statement Value on Purchase Date of Annuities (i.e., Present Value)
P&C Insurance Company And Location	

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GENERAL INTERROGATORIES

PART 2 - LIFE, ACCIDENT AND HEALTH COMPANIES/FRATERNAL BENEFIT SOCIETIES INTERROGATORIES

- 5.1 Do you act as a custodian for health savings accounts? ..... Yes [ ] No [ X ]
- 5.2 If yes, please provide the amount of custodial funds held as of the reporting date. ....\$ .....0
- 5.3 Do you act as an administrator for health savings accounts? ..... Yes [ ] No [ X ]
- 5.4 If yes, please provide the balance of funds administered as of the reporting date. ....\$ .....0
- 6.1 Are any of the captive affiliates reported on Schedule S, Part 3, authorized reinsurers? ..... Yes [ ] No [ ] N/A [ X ]
- 6.2 If the answer to 6.1 is yes, please provide the following:

1 Company Name	2 NAIC Company Code	3 Domiciliary Jurisdiction	4 Reserve Credit	Assets Supporting Reserve Credit		
				5 Letters of Credit	6 Trust Agreements	7 Other

7. Provide the following for individual ordinary life insurance\* policies (U.S. business only) for the current year (prior to reinsurance assumed or ceded):
- 7.1 Direct Premium Written .....\$ .....22,129,202
- 7.2 Total Incurred Claims .....\$ .....71,026,977
- 7.3 Number of Covered Lives .....29,130

*Ordinary Life Insurance Includes
Term (whether full underwriting,limited underwriting,jet issue,"short form app")
Whole Life (whether full underwriting,limited underwriting,jet issue,"short form app")
Variable Life (with or without secondary gurarantee)
Universal Life (with or without secondary gurarantee)
Variable Universal Life (with or without secondary gurarantee)

8. Is the reporting entity licensed or chartered, registered, qualified, eligible or writing business in at least two states? ..... Yes [ X ] No [ ]
- 8.1 If no, does the reporting entity assume reinsurance business that covers risks residing in at least one state other than the state of domicile of the reporting entity? ..... Yes [ ] No [ ]

Life, Accident and Health Companies Only:

- 9.1 Are personnel or facilities of this reporting entity used by another entity or entities or are personnel or facilities of another entity or entities used by this reporting entity (except for activities such as administration of jointly underwritten group contracts and joint mortality or morbidity studies)? ..... Yes [ X ] No [ ]
- 9.2 Net reimbursement of such expenses between reporting entities:

9.21 Paid .....\$ .....0

9.22 Received .....\$ .....0
- 10.1 Does the reporting entity write any guaranteed interest contracts? ..... Yes [ ] No [ X ]
- 10.2 If yes, what amount pertaining to these lines is included in:

10.21 Page 3, Line 1 .....\$ .....0

10.22 Page 4, Line 1 .....\$ .....0
11. For stock reporting entities only:
- 11.1 Total amount paid in by stockholders as surplus funds since organization of the reporting entity: .....\$ .....14,162,016
12. Total dividends paid stockholders since organization of the reporting entity:

12.11 Cash .....\$ .....2,441,724,559

12.12 Stock .....\$ .....15,968,954
- 13.1 Does the reporting entity reinsure any Workers' Compensation Carve-Out business defined as: ..... Yes [ ] No [ X ]  
Reinsurance (including retrocessional reinsurance) assumed by life and health insurers of medical, wage loss and death benefits of the occupational illness and accident exposures, but not the employers liability exposures, of business originally written as workers' compensation insurance.
- 13.2 If yes, has the reporting entity completed the Workers' Compensation Carve-Out Supplement to the Annual Statement? ..... Yes [ ] No [ ]
- 13.3 If 13.1 is yes, the amounts of earned premiums and claims incurred in this statement are:

	1 Reinsurance Assumed	2 Reinsurance Ceded	3 Net Retained
13.31 Earned premium .....0	.....0	.....0	.....0
13.32 Paid claims .....0	.....0	.....0	.....0
13.33 Claim liability and reserve (beginning of year) .....0	.....0	.....0	.....0
13.34 Claim liability and reserve (end of year) .....0	.....0	.....0	.....0
13.35 Incurred claims .....0	.....0	.....0	.....0

GENERAL INTERROGATORIES

PART 2 - LIFE, ACCIDENT AND HEALTH COMPANIES/FRATERNAL BENEFIT SOCIETIES INTERROGATORIES

13.4 If reinsurance assumed included amounts with attachment points below \$1,000,000, the distribution of the amounts reported in Lines 13.31 and 13.34 for Column (1) are:

	Attachment Point	1 Earned Premium	2 Claim Liability and Reserve
13.41	<\$25,000	.....0	.....0
13.42	\$25,000 - 99,999	.....0	.....0
13.43	\$100,000 - 249,999	.....0	.....0
13.44	\$250,000 - 999,999	.....0	.....0
13.45	\$1,000,000 or more	.....0	.....0

13.5 What portion of earned premium reported in 13.31, Column 1 was assumed from pools? .....\$ .....0

Fraternal Benefit Societies Only:

14. Is the reporting entity organized and conducted on the lodge system, with ritualistic form of work and representative form of government? ..... Yes [ ] No [ ]

15. How often are meetings of the subordinate branches required to be held? .....

16. How are the subordinate branches represented in the supreme or governing body? .....

17. What is the basis of representation in the governing body? .....

18.1 How often are regular meetings of the governing body held? .....

18.2 When was the last regular meeting of the governing body held? .....

18.3 When and where will the next regular or special meeting of the governing body be held? .....

18.4 How many members of the governing body attended the last regular meeting? .....

18.5 How many of the same were delegates of the subordinate branches? .....

19. How are the expenses of the governing body defrayed? .....

20. When and by whom are the officers and directors elected? .....

21. What are the qualifications for membership? .....

22. What are the limiting ages for admission? .....

23. What is the minimum and maximum insurance that may be issued on any one life? .....

24. Is a medical examination required before issuing benefit certificates to applicants? ..... Yes [ ] No [ ]

25. Are applicants admitted to membership without filing an application with and becoming a member of a local branch by ballot and initiation? ..... Yes [ ] No [ ]

26.1 Are notices of the payments required sent to the members? ..... Yes [ ] No [ ] N/A [ ]

26.2 If yes, do the notices state the purpose for which the money is to be used? ..... Yes [ ] No [ ]

27. What proportion of first and subsequent year's payments may be used for management expenses? .....

27.11 First Year ..... %

27.12 Subsequent Years ..... %

28.1 Is any part of the mortuary, disability, emergency or reserve fund, or the accretions from or payments for the same, used for expenses? ..... Yes [ ] No [ ]

28.2 If so, what amount and for what purpose? .....\$ .....

29.1 Does the reporting entity pay an old age disability benefit? ..... Yes [ ] No [ ]

29.2 If yes, at what age does the benefit commence? .....

30.1 Has the constitution or have the laws of the reporting entity been amended during the year? ..... Yes [ ] No [ ]

30.2 If yes, when? .....

31. Have you filed with this Department all forms of benefit certificates issued, a copy of the constitution and all of the laws, rules and regulations in force at the present time? ..... Yes [ ] No [ ]

32.1 State whether all or a portion of the regular insurance contributions were waived during the current year under premium-paying certificates on account of meeting attained age or membership requirements? ..... Yes [ ] No [ ]

32.2 If so, was an additional reserve included in Exhibit 5? ..... Yes [ ] No [ ] N/A [ ]

32.3 If yes, explain .....

33.1 Has the reporting entity reinsured, amalgamated with, or absorbed any company, order, society, or association during the year? ..... Yes [ ] No [ ]

33.2 If yes, was there any contract agreement, or understanding, written or oral, expressed or implied, by means of which any officer, director, trustee, or any other person, or firm, corporation, society or association, received or is to receive any fee, commission, emolument, or compensation of any nature whatsoever in connection with, on an account of such reinsurance, amalgamation, absorption, or transfer of membership or funds? ..... Yes [ ] No [ ] N/A [ ]

34. Has any present or former officer, director, trustee, incorporator, or any other persons, or any firm, corporation, society or association, any claims of any nature whatsoever against this reporting entity, which is not included in the liabilities on Page 3 of this statement? ..... Yes [ ] No [ ]

35.1 Does the reporting entity have outstanding assessments in the form of liens against policy benefits that have increased surplus? ..... Yes [ ] No [ ]

35.2 If yes, what is the date of the original lien and the amount of the outstanding assessments that have increased surplus? .....

Date	Outstanding Liens amount
.....	.....
.....	.....

FIVE-YEAR HISTORICAL DATA

Show amounts in whole dollars only, no cents; show percentages to one decimal place, i.e. 17.6.  
\$000 omitted for amounts of life insurance

	1 2019	2 2018	3 2017	4 2016	5 2015
<b>Life Insurance in Force</b> (Exhibit of Life Insurance)					
1. Ordinary - whole life and endowment (Line 34, Col. 4) .....	1,707,545	1,530,729	1,617,110	1,700,501	1,765,695
2. Ordinary - term (Line 21, Col. 4, less Line 34, Col. 4) .....	2,121,232	3,138,754	3,443,465	3,517,363	3,725,295
3. Credit life (Line 21, Col. 6) .....	0	0	0	0	0
4. Group, excluding FEGLI/SGLI (Line 21, Col. 9 less Lines 43 & 44, Col. 4) .....	297,018	373,304	431,401	516,005	681,765
5. Industrial (Line 21, Col. 2) .....	0	0	0	0	0
6. FEGLI/SGLI (Lines 43 & 44, Col. 4) .....	0	0	0	0	0
7. Total (Line 21, Col. 10) .....	4,125,795	5,042,787	5,491,976	5,733,869	6,172,755
7.1 Total in force for which VM-20 deterministic/stochastic reserves are calculated .....	0	0	0	XXX	XXX
<b>New Business Issued</b> (Exhibit of Life Insurance)					
8. Ordinary - whole life and endowment (Line 34, Col. 2) .....	0	0	0	0	0
9. Ordinary - term (Line 2, Col. 4, less Line 34, Col. 2) .....	168,800	261,635	292,380	75,500	0
10. Credit life (Line 2, Col. 6) .....	0	0	0	0	0
11. Group (Line 2, Col. 9) .....	0	0	0	0	0
12. Industrial (Line 2, Col. 2) .....	0	0	0	0	0
13. Total (Line 2, Col. 10) .....	168,800	261,635	292,380	75,500	0
<b>Premium Income - Lines of Business</b> (Exhibit 1 - Part 1)					
14. Industrial life (Line 20.4, Col. 2) .....	0	0	0	0	0
15.1 Ordinary-life insurance (Line 20.4, Col. 3) .....	1,136,963	1,083,377	701,116	155,856	98,638
15.2 Ordinary-individual annuities (Line 20.4, Col. 4) .....	0	0	0	0	0
16. Credit life (group and individual) (Line 20.4, Col. 5) .....	0	0	0	0	0
17.1 Group life insurance (Line 20.4, Col. 6) .....	857,469	1,004,805	1,149,159	1,334,673	1,258,616
17.2 Group annuities (Line 20.4, Col. 7) .....	0	0	0	0	0
18.1 A & H-group (Line 20.4, Col. 8) .....	1,042,426,343	951,679,209	1,112,737,202	1,167,768,860	1,281,402,227
18.2 A & H-credit (group and individual) (Line 20.4, Col. 9) .....	0	0	0	0	0
18.3 A & H-other (Line 20.4, Col. 10) .....	425,604,291	310,241,170	223,515,941	184,973,039	218,525,783
19. Aggregate of all other lines of business (Line 20.4,Col. 11) .....	0	0	0	0	0
20. Total .....	1,470,025,066	1,264,008,561	1,338,103,418	1,354,232,427	1,501,285,264
<b>Balance Sheet (Pages 2 &amp; 3)</b>					
21. Total admitted assets excluding Separate Accounts business (Page 2, Line 26, Col. 3) .....	594,316,349	522,610,328	499,171,779	529,488,173	635,565,515
22. Total liabilities excluding Separate Accounts business (Page 3, Line 26) .....	335,309,001	280,576,183	300,544,678	359,437,760	367,539,021
23. Aggregate life reserves (Page 3, Line 1) .....	275,236	179,295	101,864	61,259	56,371
23.1 Excess VM-20 deterministic/stochastic reserve over NPR related to Line 7.1 .....	0	0	0	XXX	XXX
24. Aggregate A & H reserves (Page 3, Line 2) .....	64,449,607	63,882,188	63,150,534	68,649,789	75,477,817
25. Deposit-type contract funds (Page 3, Line 3) .....	0	0	0	0	0
26. Asset valuation reserve (Page 3, Line 24.01) .....	1,592,963	1,453,281	1,491,568	1,501,545	2,097,471
27. Capital (Page 3, Lines 29 and 30) .....	3,262,704	3,262,704	3,262,704	3,262,704	3,262,704
28. Surplus (Page 3, Line 37) .....	255,744,644	238,771,441	195,364,397	166,787,709	264,763,790
<b>Cash Flow (Page 5)</b>					
29. Net Cash from Operations (Line 11) .....	201,139,840	136,101,807	45,527,942	53,386,756	44,673,659
<b>Risk-Based Capital Analysis</b>					
30. Total adjusted capital .....	260,600,311	243,487,426	200,118,669	171,551,958	270,123,965
31. Authorized control level risk - based capital .....	48,337,807	43,242,823	48,257,041	48,157,273	51,714,452
<b>Percentage Distribution of Cash, Cash Equivalents and Invested Assets</b> (Page 2, Col. 3) (Line No. /Page 2, Line 12, Col. 3) x 100.0					
32. Bonds (Line 1) .....	80.1	78.8	87.3	89.3	91.0
33. Stocks (Lines 2.1 and 2.2) .....	0.0	0.0	0.0	0.0	0.0
34. Mortgage loans on real estate(Lines 3.1 and 3.2 ) .....	0.0	0.0	0.0	0.0	0.0
35. Real estate (Lines 4.1, 4.2 and 4.3) .....	0.4	0.5	0.6	0.7	0.5
36. Cash, cash equivalents and short-term investments (Line 5) .....	17.7	18.3	8.9	6.2	5.2
37. Contract loans (Line 6) .....	0.0	0.0	0.0	0.0	0.0
38. Derivatives (Page 2, Line 7) .....	0.0	0.0	0.0	0.0	0.0
39. Other invested assets (Line 8) .....	1.8	2.5	3.2	3.8	3.3
40. Receivables for securities (Line 9) .....	0.0	0.0	0.0	0.0	0.0
41. Securities lending reinvested collateral assets (Line 10) .....	0.0	0.0	0.0	0.0	0.0
42. Aggregate write-ins for invested assets (Line 11) .....	0.0	0.0	0.0	0.0	0.0
43. Cash, cash equivalents and invested assets (Line 12) .....	100.0	100.0	100.0	100.0	100.0

FIVE-YEAR HISTORICAL DATA

(Continued)

	1 2019	2 2018	3 2017	4 2016	5 2015
<b>Investments in Parent, Subsidiaries and Affiliates</b>					
44. Affiliated bonds (Schedule D Summary, Line 12, Col. 1) .....	0	0	0	0	0
45. Affiliated preferred stocks (Schedule D Summary, Line 18, Col. 1) .....	0	0	0	0	0
46. Affiliated common stocks (Schedule D Summary Line 24, Col. 1), .....	0	0	0	0	0
47. Affiliated short-term investments (subtotal included in Schedule DA Verification, Col. 5, Line 10) .....	0	0	0	0	0
48. Affiliated mortgage loans on real estate .....	0	0	0	0	0
49. All other affiliated .....	0	0	0	0	0
50. Total of above Lines 44 to 49 .....	0	0	0	0	0
51. Total Investment in Parent included in Lines 44 to 49 above .....	0	0	0	0	0
<b>Total Nonadmitted and Admitted Assets</b>					
52. Total nonadmitted assets (Page 2, Line 28, Col. 2) .....	28,262,795	16,361,649	10,655,204	19,219,784	14,129,870
53. Total admitted assets (Page 2, Line 28, Col. 3) .....	594,316,349	522,610,328	499,171,779	529,488,173	635,565,515
<b>Investment Data</b>					
54. Net investment income (Exhibit of Net Investment Income) .....	11,748,421	9,197,673	7,040,261	8,680,041	9,480,381
55. Realized capital gains (losses) (Page 4, Line 34, Column 1 ) .....	(58,100)	526,938	(2,735)	63,271	(2,726)
56. Unrealized capital gains (losses) (Page 4, Line 38, Column 1) .....	0	0	0	0	0
57. Total of above Lines 54, 55 and 56 .....	11,690,321	9,724,611	7,037,526	8,743,312	9,477,655
<b>Benefits and Reserve Increases (Page 6)</b>					
58. Total contract/certificate benefits - life (Lines 10, 11, 12, 13, 14 and 15, Col. 1 minus Lines 10, 11,12, 13, 14 and 15, Cols. 6, 7 and 8) .....	802,933	752,976	1,055,818	653,766	451,710
59. Total contract/certificate benefits - A & H (Lines 13 & 14, Col. 6) .....	915,873,066	823,948,746	958,777,381	966,991,712	1,076,426,835
60. Increase in life reserves - other than group and annuities (Line 19, Col. 2) .....	101,741	82,422	47,922	9,172	(374)
61. Increase in A & H reserves (Line 19, Col. 6) .....	(1,315,146)	2,327,139	(2,808,673)	(7,280,808)	(12,477,771)
62. Dividends to policyholders and refunds to members (Line 30, Col. 1) .....	0	0	0	0	0
<b>Operating Percentages</b>					
63. Insurance expense percent (Page 6, Col. 1, Lines 21, 22 & 23, less Line 6)/(Page 6, Col. 1, Line 1 plus Exhibit 7, Col. 2, Line 2) x 100.0 .....	23.0	18.0	18.2	15.1	12.5
64. Lapse percent (ordinary only) [(Exhibit of Life Insurance, Col. 4, Lines 14 & 15) / 1/2 (Exhibit of Life Insurance, Col. 4, Lines 1 & 21)] x 100.0 .....	21.9	11.6	7.4	5.1	5.3
65. A & H loss percent (Schedule H, Part 1, Lines 5 and 6, Col. 2) .....	64.0	66.6	73.0	72.2	72.1
66. A & H cost containment percent (Schedule H, Pt. 1, Line 4, Col. 2) .....	1.7	1.3	1.4	1.2	1.0
67. A & H expense percent excluding cost containment expenses (Schedule H, Pt. 1, Line 10, Col. 2) .....	23.8	21.1	18.6	21.1	17.2
<b>A &amp; H Claim Reserve Adequacy</b>					
68. Incurred losses on prior years' claims - group health (Schedule H, Part 3, Line 3.1 Col. 2) .....	80,585,325	83,686,813	133,273,598	138,659,352	136,557,927
69. Prior years' claim liability and reserve - group health (Schedule H, Part 3, Line 3.2 Col. 2) .....	103,388,030	130,934,470	143,683,872	145,605,482	145,758,825
70. Incurred losses on prior years' claims-health other than group (Schedule H, Part 3, Line 3.1 Col. 1 less Col. 2) .....	20,926,963	15,914,887	18,457,139	20,714,868	25,057,720
71. Prior years' claim liability and reserve-health other than group (Schedule H, Part 3, Line 3.2 Col. 1 less Col. 2) .....	29,134,656	21,167,091	19,901,924	23,951,030	24,412,135
<b>Net Gains From Operations After Dividends to Policyholders/Members' Refunds and Federal Income Taxes by Lines of Business (Page 6.x, Line 33)</b>					
72. Industrial life (Page 6.1, Col. 2) .....	0	0	0	0	0
73. Ordinary - life (Page 6.1, Col. 1 less Cols. 2, 10 and 12) .....	1,788,885	1,576,044	1,054,833	1,524,296	1,531,733
74. Ordinary - individual annuities (Page 6, Col. 4) .....	719,499	729,932	734,260	739,450	746,878
75. Ordinary-supplementary contracts .....	XXX	0	0	0	0
76. Credit life (Page 6.1, Col. 10 plus Page 6.2, Col. 7) .....	0	0	0	0	0
77. Group life (Page 6.2, Col. 1 Less Cols. 7 and 9) .....	(31,074)	728,480	205,477	285,981	135,204
78. Group annuities (Page 6, Col. 5) .....	0	0	0	0	0
79. A & H-group (Page 6.5, Col. 3) .....	45,639,186	77,837,420	55,707,685	53,384,917	88,978,839
80. A & H-credit (Page 6.5, Col. 10) .....	0	0	0	0	0
81. A & H-other (Page 6.5, Col. 1 less Cols. 3 and 10) .....	108,589,147	49,172,552	24,923,044	9,220,302	15,442,116
82. Aggregate of all other lines of business (Page 6, Col. 8) .....	0	0	0	0	0
83. Fraternal (Page 6, Col. 7) .....	0	0	0	0	0
84. Total (Page 6, Col. 1) .....	156,705,643	130,044,428	82,625,299	65,154,946	106,834,769

NOTE: If a party to a merger, have the two most recent years of this exhibit been restated due to a merger in compliance with the disclosure requirements of SSAP No. 3, Accounting Changes and Correction of Errors? Yes [       ] No [       ]

If no, please explain: \_\_\_\_\_

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Golden Rule Insurance Company

**EXHIBIT OF LIFE INSURANCE**

**(\$000 Omitted for Amounts of Life Insurance)**

	Industrial		Ordinary		Credit Life (Group and Individual)		Group			10 Total Amount of Insurance
	1	2	3	4	5	6	Number of		9	
	Number of Policies	Amount of Insurance	Number of Policies	Amount of Insurance	Number of Individual Policies and Group Certificates	Amount of Insurance	7 Policies	8 Certificates	Amount of Insurance	
1. In force end of prior year .....	0	0	33,599	4,669,483	0	0	109	3,407	373,304	5,042,787
2. Issued during year .....	0	0	3,507	168,800	0	0	0	0	0	168,800
3. Reinsurance assumed .....	0	0	0	0	0	0	0	0	0	0
4. Revived during year .....	0	0	7	1,125	0	0	0	0	0	1,125
5. Increased during year (net) .....	0	0	0	0	0	0	0	0	0	0
6. Subtotals, Lines 2 to 5 .....	0	0	3,514	169,925	0	0	0	0	0	169,925
7. Additions by dividends during year .....	XXX	0	XXX	0	XXX	0	XXX	XXX	0	0
8. Aggregate write-ins for increases .....	0	0	0	0	0	0	0	0	0	0
9. Totals (Lines 1 and 6 to 8) .....	0	0	37,113	4,839,408	0	0	109	3,407	373,304	5,212,712
Deductions during year:										
10. Death .....	0	0	654	52,561	0	0	XXX	9	736	53,297
11. Maturity .....	0	0	12	25	0	0	XXX	0	0	25
12. Disability .....	0	0	0	0	0	0	XXX	0	0	0
13. Expiry .....	0	0	10	49	0	0	0	0	0	49
14. Surrender .....	0	0	749	114,245	0	0	0	0	0	114,245
15. Lapse .....	0	0	6,306	815,480	0	0	5	554	56,037	871,517
16. Conversion .....	0	0	23	6,200	0	0	XXX	XXX	XXX	6,200
17. Decreased (net) .....	0	0	219	22,071	0	0	0	59	19,513	41,584
18. Reinsurance .....	0	0	0	0	0	0	0	0	0	0
19. Aggregate write-ins for decreases .....	0	0	0	0	0	0	0	0	0	0
20. Totals (Lines 10 to 19) .....	0	0	7,973	1,010,631	0	0	5	622	76,286	1,086,917
21. In force end of year (b) (Line 9 minus Line 20) .....	0	0	29,140	3,828,777	0	0	104	2,785	297,018	4,125,795
22. Reinsurance ceded end of year .....	XXX	0	XXX	3,579,991	XXX	0	XXX	XXX	0	3,579,991
23. Line 21 minus Line 22 .....	XXX	0	XXX	248,786	XXX	(a) 0	XXX	XXX	297,018	545,804
<b>DETAILS OF WRITE-INS</b>										
0801. ....										
0802. ....										
0803. ....										
0898. Summary of remaining write-ins for Line 8 from overflow page .....	0	0	0	0	0	0	0	0	0	0
0899. TOTALS (Lines 0801 thru 0803 plus 0898) (Line 8 above) .....	0	0	0	0	0	0	0	0	0	0
1901. ....										
1902. ....										
1903. ....										
1998. Summary of remaining write-ins for Line 19 from overflow page .....	0	0	0	0	0	0	0	0	0	0
1999. TOTALS (Lines 1901 thru 1903 plus 1998) (Line 19 above) .....	0	0	0	0	0	0	0	0	0	0

Life, Accident and Health Companies Only:

(a) Group \$ .....0 ; Individual \$ .....0

Fraternal Benefit Societies Only:

(b) Paid-up insurance included in the final totals of Line 21 (including additions to certificates) number of certificates .....0 , Amount \$ .....0

Additional accidental death benefits included in life certificates were in amount \$ .....0 , Does the society collect any contributions from members for general expenses of the society under fully paid-up certificates? Yes [ ] No [ ]

If not, how are such expenses met?

.....

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Golden Rule Insurance Company

EXHIBIT OF LIFE INSURANCE

(\$000 Omitted for Amounts of Life Insurance) (Continued)  
ADDITIONAL INFORMATION ON INSURANCE IN FORCE END OF YEAR

	Industrial		Ordinary	
	1 Number of Policies	2 Amount of Insurance	3 Number of Policies	4 Amount of Insurance
24. Additions by dividends .....	XXX	0	XXX	151
25. Other paid-up insurance .....	0	0	7,697	845,015
26. Debit ordinary insurance .....	XXX	XXX	0	0

ADDITIONAL INFORMATION ON ORDINARY INSURANCE

Term Insurance Excluding Extended Term Insurance	Issued During Year (Included in Line 2)		In Force End of Year (Included in Line 21)	
	1 Number of Policies	2 Amount of Insurance	3 Number of Policies	4 Amount of Insurance
27. Term policies - decreasing .....	0	0	159	898
28. Term policies - other .....	3,507	168,800	9,869	2,119,448
29. Other term insurance - decreasing .....	XXX	0	XXX	0
30. Other term insurance .....	XXX	0	XXX	0
31. Totals (Lines 27 to 30) .....	3,507	168,800	10,028	2,120,346
Reconciliation to Lines 2 and 21:				
32. Term additions .....	XXX	0	XXX	0
33. Totals, extended term insurance .....	XXX	XXX	224	885
34. Totals, whole life and endowment .....	0	0	18,888	1,707,545
35. Totals (Lines 31 to 34) .....	3,507	168,800	29,140	3,828,776

CLASSIFICATION OF AMOUNT OF INSURANCE BY PARTICIPATING STATUS

	Issued During Year (Included in Line 2)		In Force End of Year (Included in Line 21)	
	1 Non-Participating	2 Participating	3 Non-Participating	4 Participating
36. Industrial .....	0	0	0	0
37. Ordinary .....	168,800	0	3,828,263	513
38. Credit Life (Group and Individual) .....	0	0	0	0
39. Group .....	0	0	297,018	0
40. Totals (Lines 36 to 39) .....	168,800	0	4,125,281	513

ADDITIONAL INFORMATION ON CREDIT LIFE AND GROUP INSURANCE

	Credit Life		Group	
	1 Number of Individual Policies	2 Amount of Insurance	3 Number of Certificates	4 Amount of Insurance
41. Amount of insurance included in Line 2 ceded to other companies .....	XXX	0	XXX	0
42. Number in force end of year if the number under insured groups is limited on a pro-rata basis .....				XXX
43. Federal Employees' Group Life Insurance included in Line 21 .....				
44. Servicemen's Group Life Insurance included in Line 21 .....				
45. Group Permanent Insurance included in Line 21 .....				

ADDITIONAL ACCIDENTAL DEATH BENEFITS

46. Amount of additional accidental death benefits in force end of year under ordinary policies .....	17,162
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BASIS OF CALCULATION OF ORDINARY TERM INSURANCE

47. State basis of calculation of (47.1) decreasing term insurance contained in Family Income, Mortgage Protection, etc., policies and riders and of (47.2) term insurance on wife and children under Family, Parent and Children, etc., policies and riders included above.
47.1 New issues exact basis; older issues on level amount basis .....
47.2 New issues exact basis; older issues on level amount basis .....

POLICIES WITH DISABILITY PROVISIONS

Disability Provisions	Industrial		Ordinary		Credit		Group	
	1 Number of Policies	2 Amount of Insurance	3 Number of Policies	4 Amount of Insurance	5 Number of Policies	6 Amount of Insurance	7 Number of Certificates	8 Amount of Insurance
48. Waiver of Premium .....	0	0	3,121	110,904	0	0	0	0
49. Disability Income .....	0	0	0	0	0	0	0	0
50. Extended Benefits .....	0	0	XXX	XXX	0	0	0	0
51. Other .....	0	0	0	0	0	0	0	0
52. Total .....	0	(a) 0	3,121	(a) 110,904	0	(a) 0	0	(a) 0

(a) See the Annual Audited Financial Reports section of the annual statement instructions

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Golden Rule Insurance Company

**EXHIBIT OF NUMBER OF POLICIES, CONTRACTS, CERTIFICATES, INCOME PAYABLE AND ACCOUNT VALUES IN FORCE FOR SUPPLEMENTARY CONTRACTS, ANNUITIES, ACCIDENT & HEALTH AND OTHER POLICIES**

SUPPLEMENTARY CONTRACTS				
	Ordinary		Group	
	1 Involving Life Contingencies	2 Not Involving Life Contingencies	3 Involving Life Contingencies	4 Not Involving Life Contingencies
1. In force end of prior year .....	0	0	0	0
2. Issued during year .....	0	0	0	0
3. Reinsurance assumed .....	0	0	0	0
4. Increased during year (net) .....	0	0	0	0
5. Total (Lines 1 to 4) .....	0	0	0	0
Deductions during year:				
6. Decreased (net) .....	7	0	0	0
7. Reinsurance ceded .....	(7)	0	0	0
8. Totals (Lines 6 and 7) .....	0	0	0	0
9. In force end of year .....	0	0	0	0
10. Amount on deposit .....	0	(a)	0	(a)
11. Income now payable .....	0	0	0	0
12. Amount of income payable .....	(a)	0	(a)	0

ANNUITIES				
	Ordinary		Group	
	1 Immediate	2 Deferred	3 Contracts	4 Certificates
1. In force end of prior year .....	0	0	0	0
2. Issued during year .....	0	0	0	0
3. Reinsurance assumed .....	0	0	0	0
4. Increased during year (net) .....	0	0	0	0
5. Totals (Lines 1 to 4) .....	0	0	0	0
Deductions during year:				
6. Decreased (net) .....	0	714	0	0
7. Reinsurance ceded .....	0	(714)	0	0
8. Totals (Lines 6 and 7) .....	0	0	0	0
9. In force end of year .....	0	0	0	0
Income now payable:				
10. Amount of income payable .....	(a)	0	XXX	(a)
Deferred fully paid:				
11. Account balance .....	XXX	(a)	0	XXX
Deferred not fully paid:				
12. Account balance .....	XXX	(a)	0	XXX

ACCIDENT AND HEALTH INSURANCE						
	Group		Credit		Other	
	1 Certificates	2 Premiums in Force	3 Policies	4 Premiums in Force	5 Policies	6 Premiums in Force
1. In force end of prior year .....	189,976	976,795,796	0	0	354,459	362,887,074
2. Issued during year .....	238,443	698,775,474	0	0	432,802	467,157,814
3. Reinsurance assumed .....	0	0	0	0	0	0
4. Increased during year (net) .....	0	XXX	0	XXX	0	XXX
5. Totals (Lines 1 to 4) .....	428,419	XXX	0	XXX	787,261	XXX
Deductions during year:						
6. Conversions .....	0	XXX	XXX	XXX	XXX	XXX
7. Decreased (net) .....	223,135	XXX	0	XXX	331,287	XXX
8. Reinsurance ceded .....	0	XXX	0	XXX	0	XXX
9. Totals (Lines 6 to 8) .....	223,135	XXX	0	XXX	331,287	XXX
10. In force end of year .....	205,284	(a) 1,080,999,014	0	(a) 0	455,974	(a) 460,297,817

DEPOSIT FUNDS AND DIVIDEND ACCUMULATIONS		
	1	2
	Deposit Funds Contracts	Dividend Accumulations Contracts
1. In force end of prior year .....	0	0
2. Issued during year .....	0	0
3. Reinsurance assumed .....	0	0
4. Increased during year (net) .....	0	0
5. Totals (Lines 1 to 4) .....	0	0
Deductions During Year:		
6. Decreased (net) .....	0	8
7. Reinsurance ceded .....	0	(8)
8. Totals (Lines 6 and 7) .....	0	0
9. In force end of year .....	0	0
10. Amount of account balance .....	(a) 0	(a) 0

(a) See the Annual Audited Financial Reports section of the annual statement instructions.

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Golden Rule Insurance Company  
**SCHEDULE T - PREMIUMS AND ANNUITY CONSIDERATIONS (b)**

Allocated by States and Territories

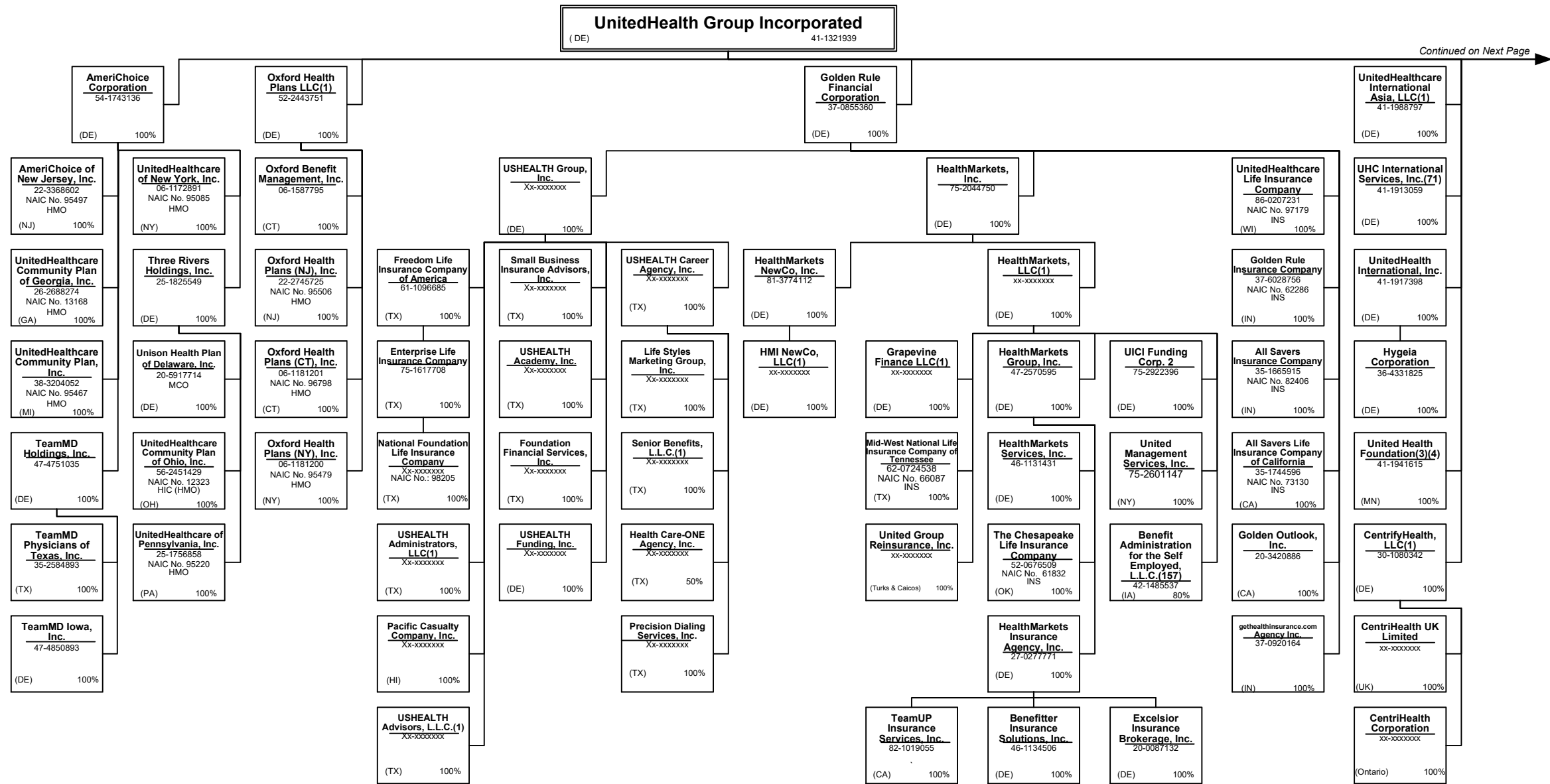
			1	Direct Business Only					
				Life Contracts		4	5	6	7
				2	3				
			Active Status (a)	Life Insurance Premiums	Annuity Considerations	Accident and Health Insurance Premiums, Including Policy, Membership and Other Fees	Other Considerations	Total Columns 2 through 5	Deposit-Type Contracts
States, Etc.									
1.	Alabama	AL	L	273,539	16,425	16,917,711	.0	17,207,675	.0
2.	Alaska	AK	L	12,906	6,814	447,494	.0	467,214	.0
3.	Arizona	AZ	L	534,791	42,331	91,633,892	.0	92,211,013	.0
4.	Arkansas	AR	L	339,814	65,606	15,595,480	.0	16,000,901	.0
5.	California	CA	L	858,772	(51,915)	4,073,452	.0	4,880,309	.0
6.	Colorado	CO	L	510,672	13,066	31,191,482	.0	31,715,220	.0
7.	Connecticut	CT	L	516,381	51,027	1,865,927	.0	2,433,334	.0
8.	Delaware	DE	L	100,529	1,534	1,671,146	.0	1,773,210	.0
9.	District of Columbia	DC	L	46,823	.0	209,665	.0	256,488	.0
10.	Florida	FL	L	1,874,649	145,842	273,539,299	.0	275,559,790	.0
11.	Georgia	GA	L	682,730	15,720	59,807,004	.0	60,505,454	.0
12.	Hawaii	HI	L	111,462	(226,357)	511,767	.0	396,873	.0
13.	Idaho	ID	L	28,845	.0	797,263	.0	826,107	.0
14.	Illinois	IL	L	1,981,027	133,327	81,063,564	.0	83,177,918	.0
15.	Indiana	IN	L	959,273	104,259	52,118,911	.0	53,182,443	.0
16.	Iowa	IA	L	473,122	103,257	15,483,815	.0	16,060,194	.0
17.	Kansas	KS	L	128,534	7,417	7,722,195	.0	7,858,147	.0
18.	Kentucky	KY	L	644,021	3,641	7,499,736	.0	8,147,398	.0
19.	Louisiana	LA	L	293,472	43,535	12,672,582	.0	13,009,589	.0
20.	Maine	ME	L	117,376	.0	2,897,193	.0	3,014,570	.0
21.	Maryland	MD	L	583,297	21,096	24,686,373	.0	25,290,766	.0
22.	Massachusetts	MA	L	120,540	22,602	35,801	.0	178,943	.0
23.	Michigan	MI	L	1,118,183	27,900	71,090,985	.0	72,237,069	.0
24.	Minnesota	MN	L	372,804	57,233	3,654,385	.0	4,084,423	.0
25.	Mississippi	MS	L	187,074	19,408	24,789,965	.0	24,996,446	.0
26.	Missouri	MO	L	1,022,035	55,588	70,414,435	.0	71,492,058	.0
27.	Montana	MT	L	3,806	.0	1,367,926	.0	1,371,732	.0
28.	Nebraska	NE	L	244,978	12,782	30,955,076	.0	31,212,837	.0
29.	Nevada	NV	L	58,653	12,280	12,573,268	.0	12,644,201	.0
30.	New Hampshire	NH	L	164,963	8,824	85,582	.0	259,369	.0
31.	New Jersey	NJ	L	51,633	11,290	834,902	.0	897,825	.0
32.	New Mexico	NM	L	58,194	1,318	136,352	.0	195,864	.0
33.	New York	NY	N	32,904	3,809	98,810	.0	135,523	.0
34.	North Carolina	NC	L	634,358	35,921	50,992,078	.0	51,662,356	.0
35.	North Dakota	ND	L	67,894	.0	87,501	.0	155,395	.0
36.	Ohio	OH	L	1,025,605	104,873	89,135,506	.0	90,265,985	.0
37.	Oklahoma	OK	L	256,294	19,176	23,750,067	.0	24,025,537	.0
38.	Oregon	OR	L	85,441	1,360	4,736,930	.0	4,823,732	.0
39.	Pennsylvania	PA	L	859,795	5,147	37,953,044	.0	38,817,986	.0
40.	Rhode Island	RI	L	37,243	1,625	673,497	.0	712,365	.0
41.	South Carolina	SC	L	302,942	16,389	35,914,090	.0	36,233,422	.0
42.	South Dakota	SD	L	156,054	20,710	274,431	.0	451,196	.0
43.	Tennessee	TN	L	883,842	23,046	42,284,386	.0	43,191,274	.0
44.	Texas	TX	L	1,904,258	146,878	159,372,395	.0	161,423,532	.0
45.	Utah	UT	L	68,929	.0	1,703,465	.0	1,772,394	.0
46.	Vermont	VT	L	36,790	.0	16,546	.0	53,335	.0
47.	Virginia	VA	L	807,288	47,249	29,509,760	.0	30,364,297	.0
48.	Washington	WA	L	156,613	3,502	793,275	.0	953,389	.0
49.	West Virginia	WV	L	194,186	11,904	8,326,318	.0	8,532,408	.0
50.	Wisconsin	WI	L	983,621	20,255	60,028,828	.0	61,032,703	.0
51.	Wyoming	WY	L	18,126	.0	4,872,583	.0	4,890,709	.0
52.	American Samoa	AS	N	.0	.0	.0	.0	.0	.0
53.	Guam	GU	L	.0	.0	.0	.0	.0	.0
54.	Puerto Rico	PR	N	.0	.0	.0	.0	.0	.0
55.	U.S. Virgin Islands	VI	N	.0	.0	.0	.0	.0	.0
56.	Northern Mariana Islands	MP	N	.0	.0	.0	.0	.0	.0
57.	Canada	CAN	N	.0	.0	.0	.0	.0	.0
58.	Aggregate Other Alien	OT	XXX	2,724	.0	17,785	.0	20,509	.0
59.	Subtotal	XXX		22,989,805	1,187,695	1,468,885,924	.0	1,493,063,424	.0
90.	Reporting entity contributions for employee benefits plans	XXX		.0	.0	.0	.0	.0	.0
91.	Dividends or refunds applied to purchase paid-up additions and annuities	XXX		.0	.0	.0	.0	.0	.0
92.	Dividends or refunds applied to shorten endowment or premium paying period	XXX		.0	.0	.0	.0	.0	.0
93.	Premium or annuity considerations waived under disability or other contract provisions	XXX		.0	.0	.0	.0	.0	.0
94.	Aggregate or other amounts not allocable by State	XXX		.0	.0	.0	.0	.0	.0
95.	Totals (Direct Business)	XXX		22,989,805	1,187,695	1,468,885,924	.0	1,493,063,424	.0
96.	Plus reinsurance assumed	XXX		.0	.0	.0	.0	.0	.0
97.	Totals (All Business)	XXX		22,989,805	1,187,695	1,468,885,924	.0	1,493,063,424	.0
98.	Less reinsurance ceded	XXX		20,998,530	1,187,695	.0	.0	22,186,225	.0
99.	Totals (All Business) less Reinsurance Ceded	XXX		1,991,275	.0	(c) 1,468,885,924	.0	1,470,877,199	.0
DETAILS OF WRITE-INS									
58001.	ZZZ Other Alien	XXX		2,724	.0	17,785	.0	20,509	.0
58002.		XXX							
58003.		XXX							
58998.	Summary of remaining write-ins for Line 58 from overflow page	XXX		.0	.0	.0	.0	.0	.0
58999.	Totals (Lines 58001 through 58003 plus 58998)(Line 58 above)	XXX		2,724	.0	17,785	.0	20,509	.0
9401.		XXX							
9402.		XXX							
9403.		XXX							
9498.	Summary of remaining write-ins for Line 94 from overflow page	XXX		.0	.0	.0	.0	.0	.0
9499.	Totals (Lines 9401 through 9403 plus 9498)(Line 94 above)	XXX		.0	.0	.0	.0	.0	.0

(a) Active Status Counts:  
L - Licensed or Chartered - Licensed insurance carrier or domiciled RRG.....51 R - Registered - Non-domiciled RRGs.....0  
E - Eligible - Reporting entities eligible or approved to write surplus lines in the state.....0 Q - Qualified - Qualified or accredited reinsurer.....0  
N - None of the above - Not allowed to write business in the state.....6

(b) Explanation of basis of allocation by states, etc., of premiums and annuity considerations  
Allocation of premiums based upon insured's address state.

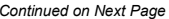
(c) Column 4 should balance with Exhibit 1, Lines 6.4, 10.4, and 16.4, Cols. 8, 9, 10, or with Schedule H, Part 1, Line 1, indicate which: Exhibit 1, Lines 6.4, 10.4, and 16.4, Cols. 8, 9, 10.

SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP  
PART 1 – ORGANIZATIONAL CHART

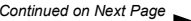


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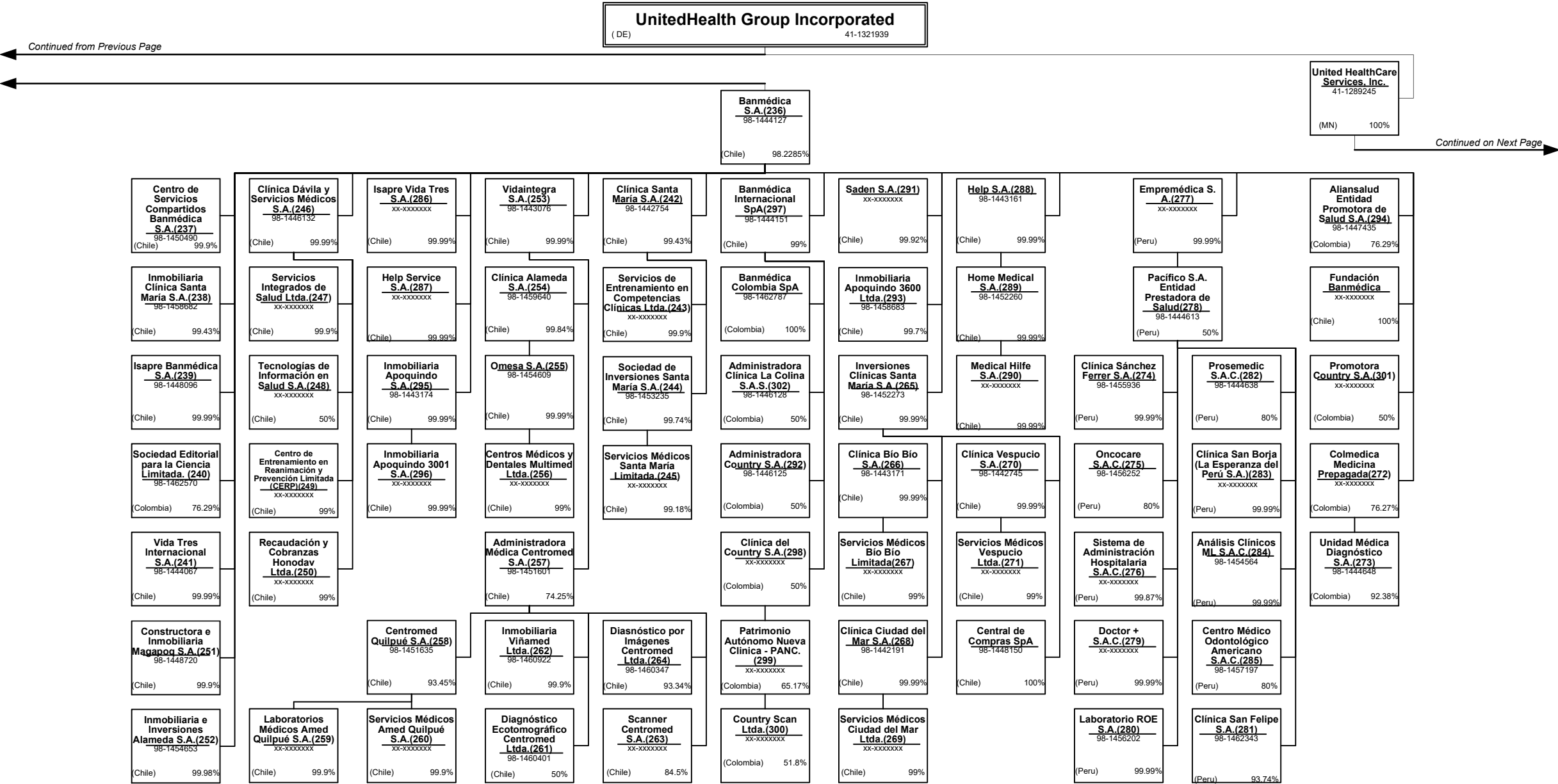


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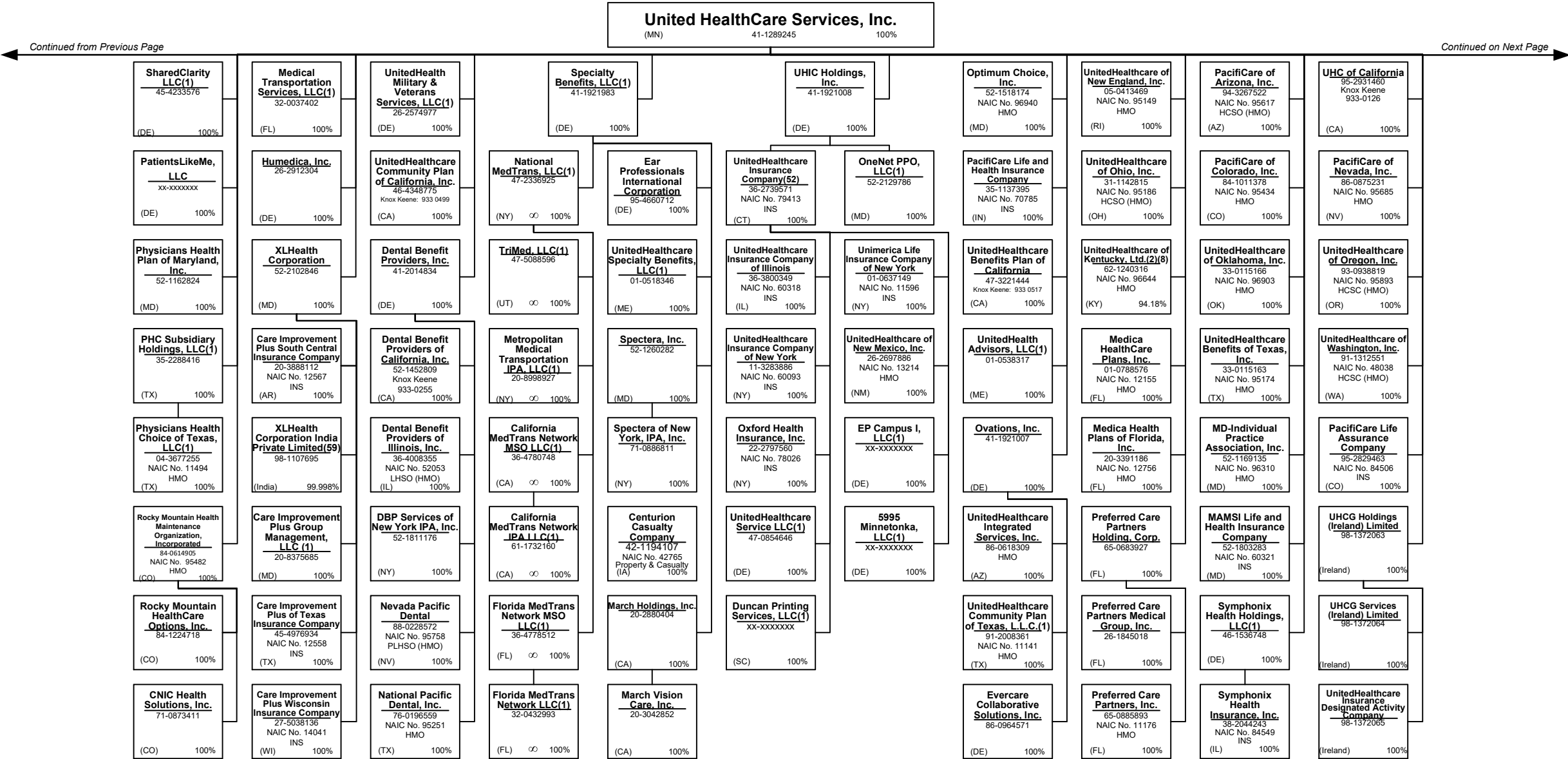
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PART 1 – ORGANIZATIONAL CHART



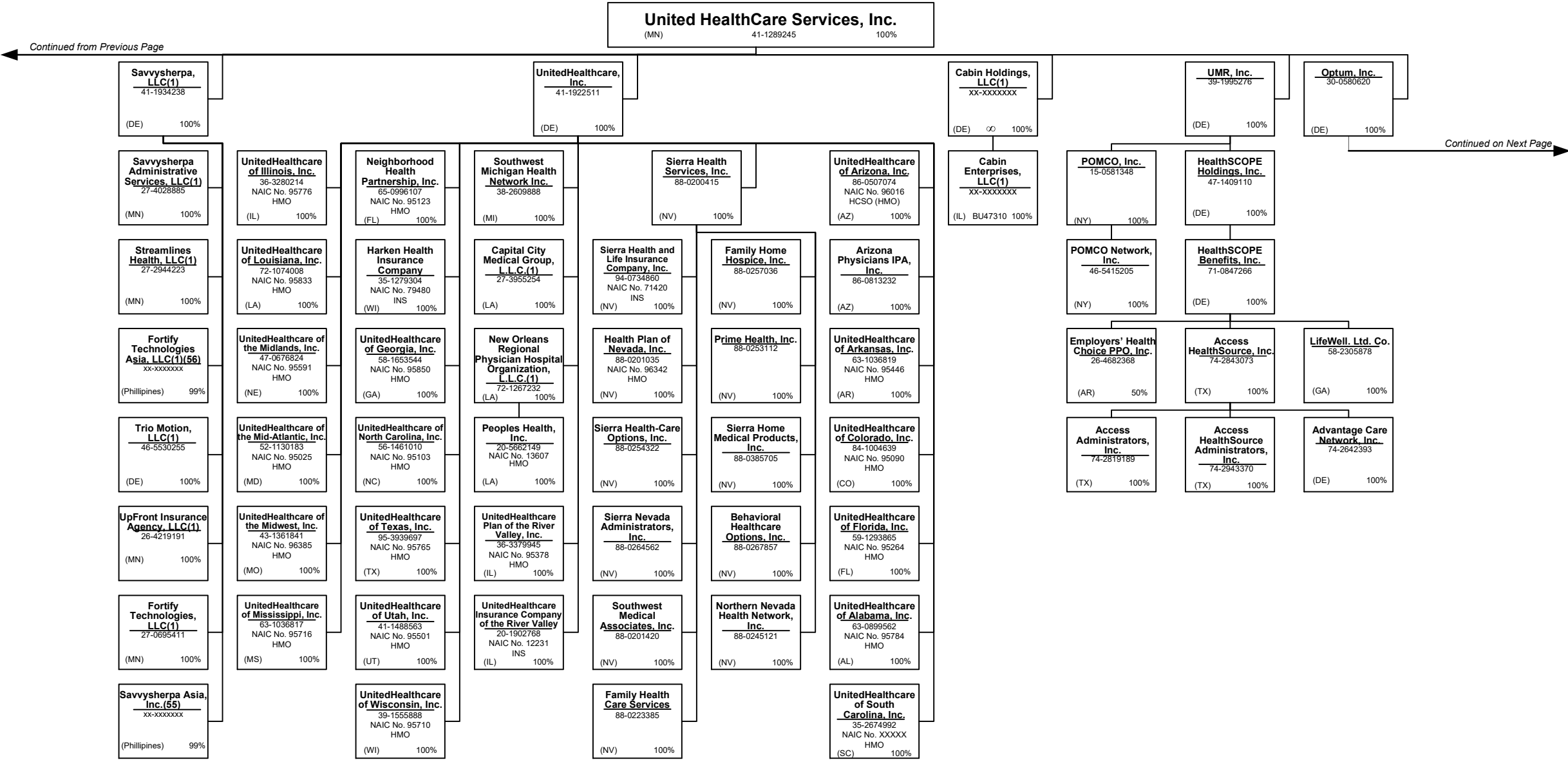
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PART 1 – ORGANIZATIONAL CHART



SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

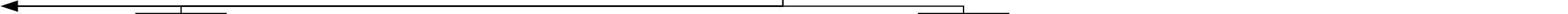
PART 1 – ORGANIZATIONAL CHART



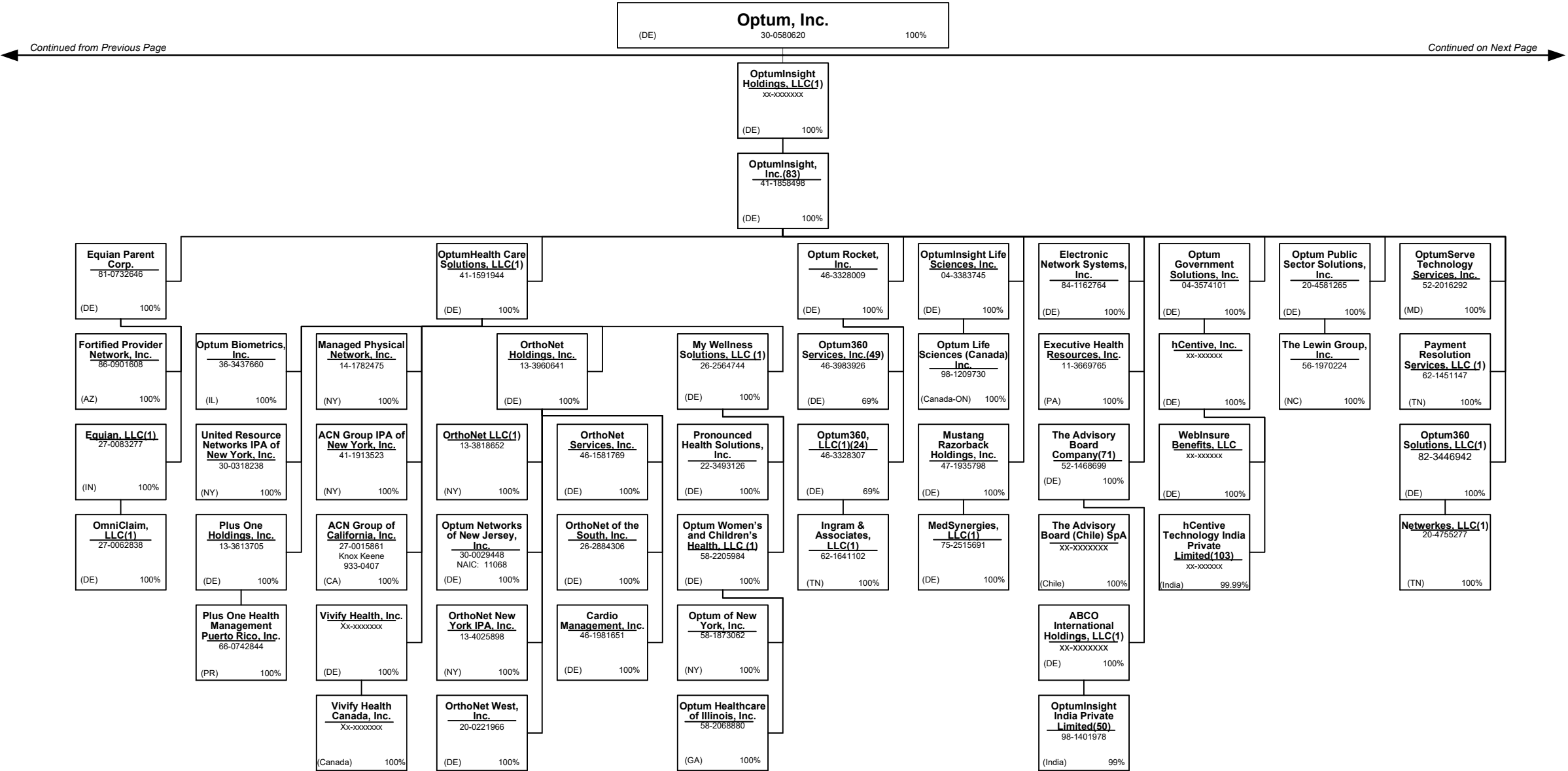
**SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP**  
**PART 1 – ORGANIZATIONAL CHART**



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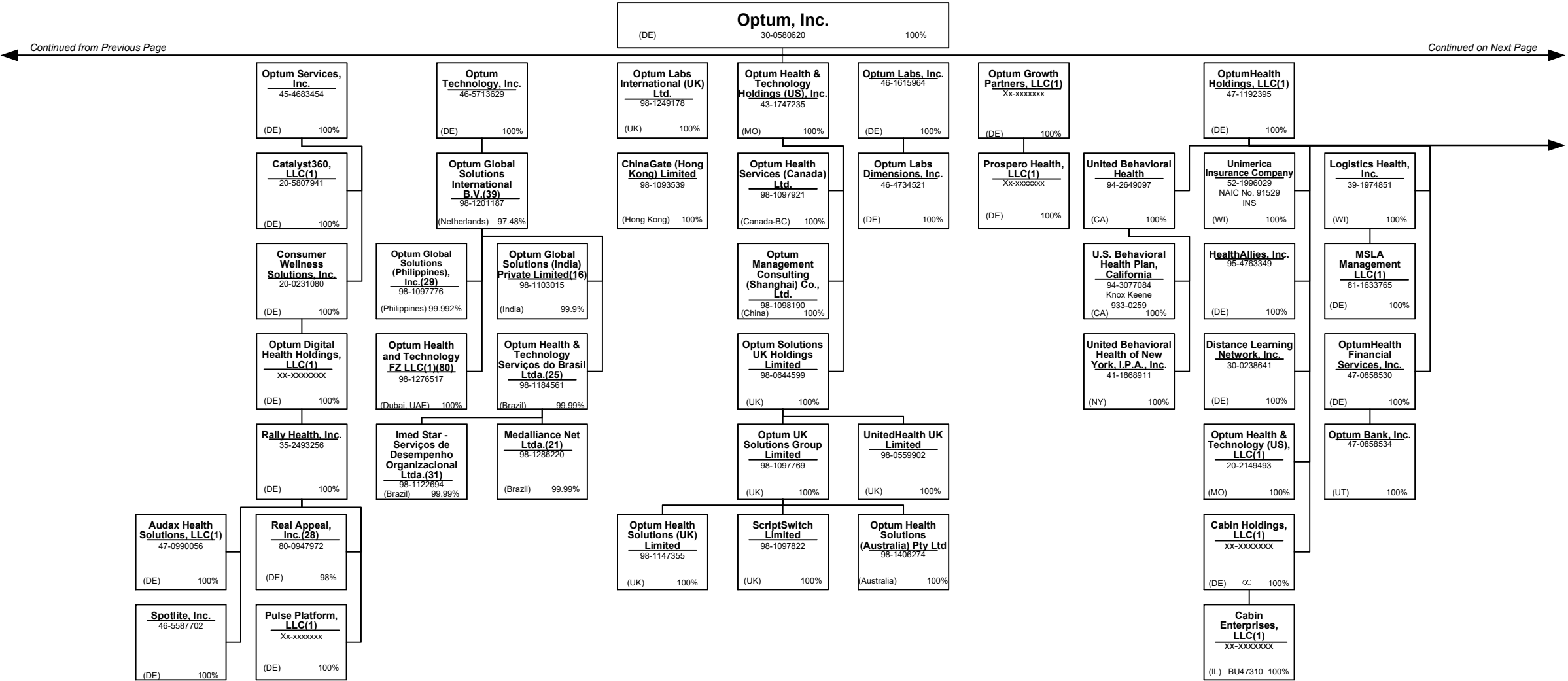


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PART 1 – ORGANIZATIONAL CHART

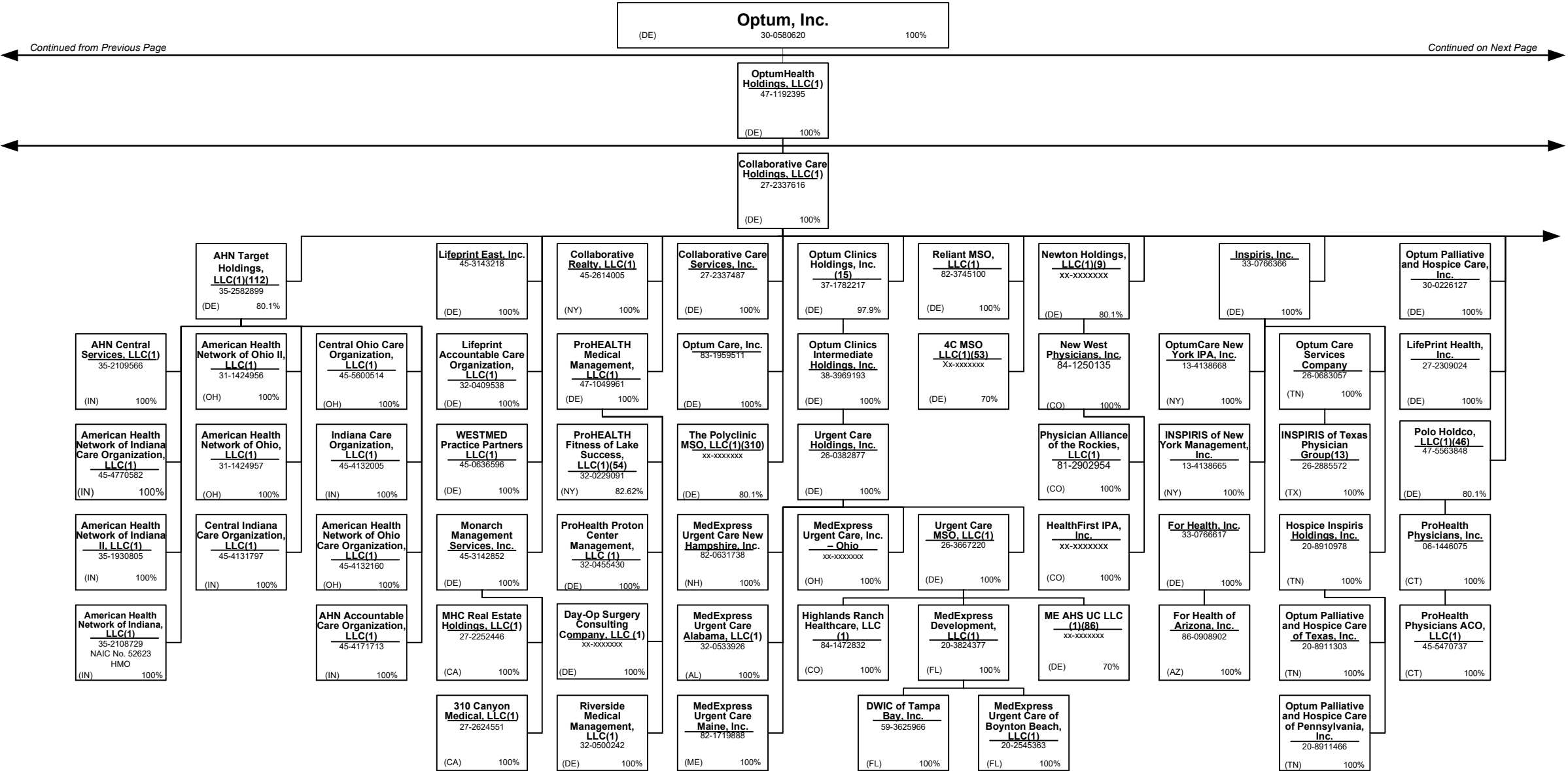


SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 – ORGANIZATIONAL CHART

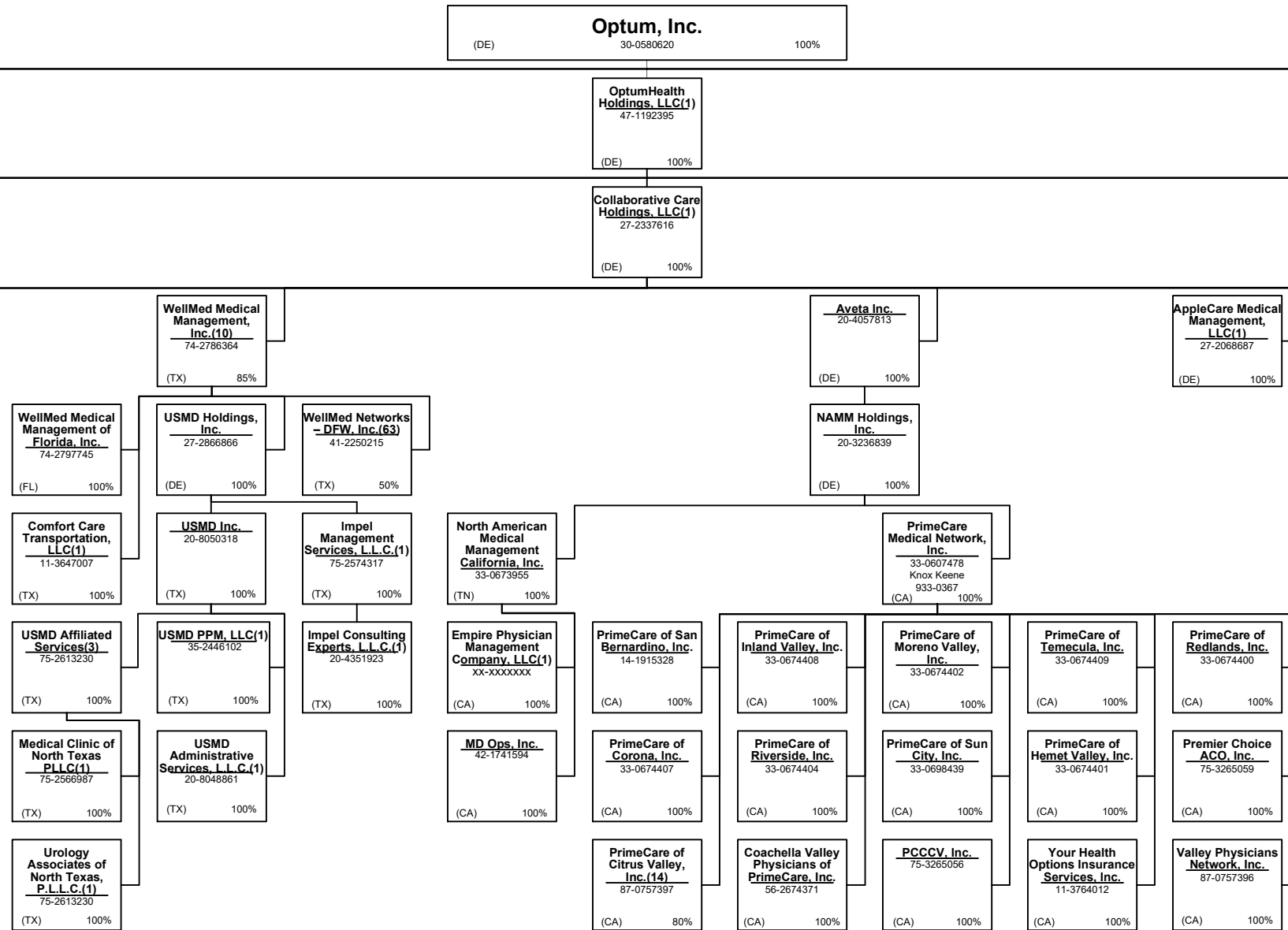


SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP  
PART 1 – ORGANIZATIONAL CHART

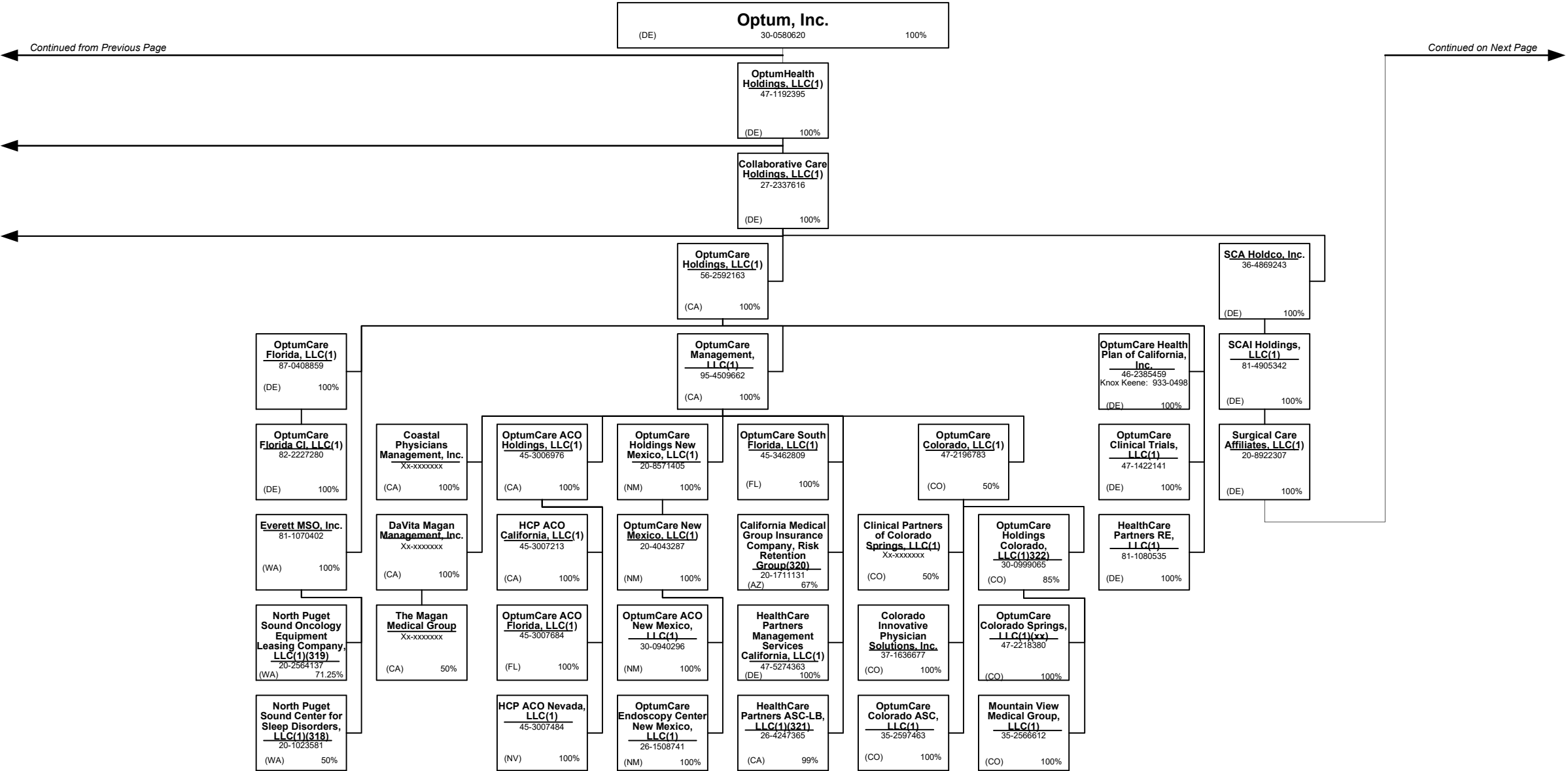


# SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

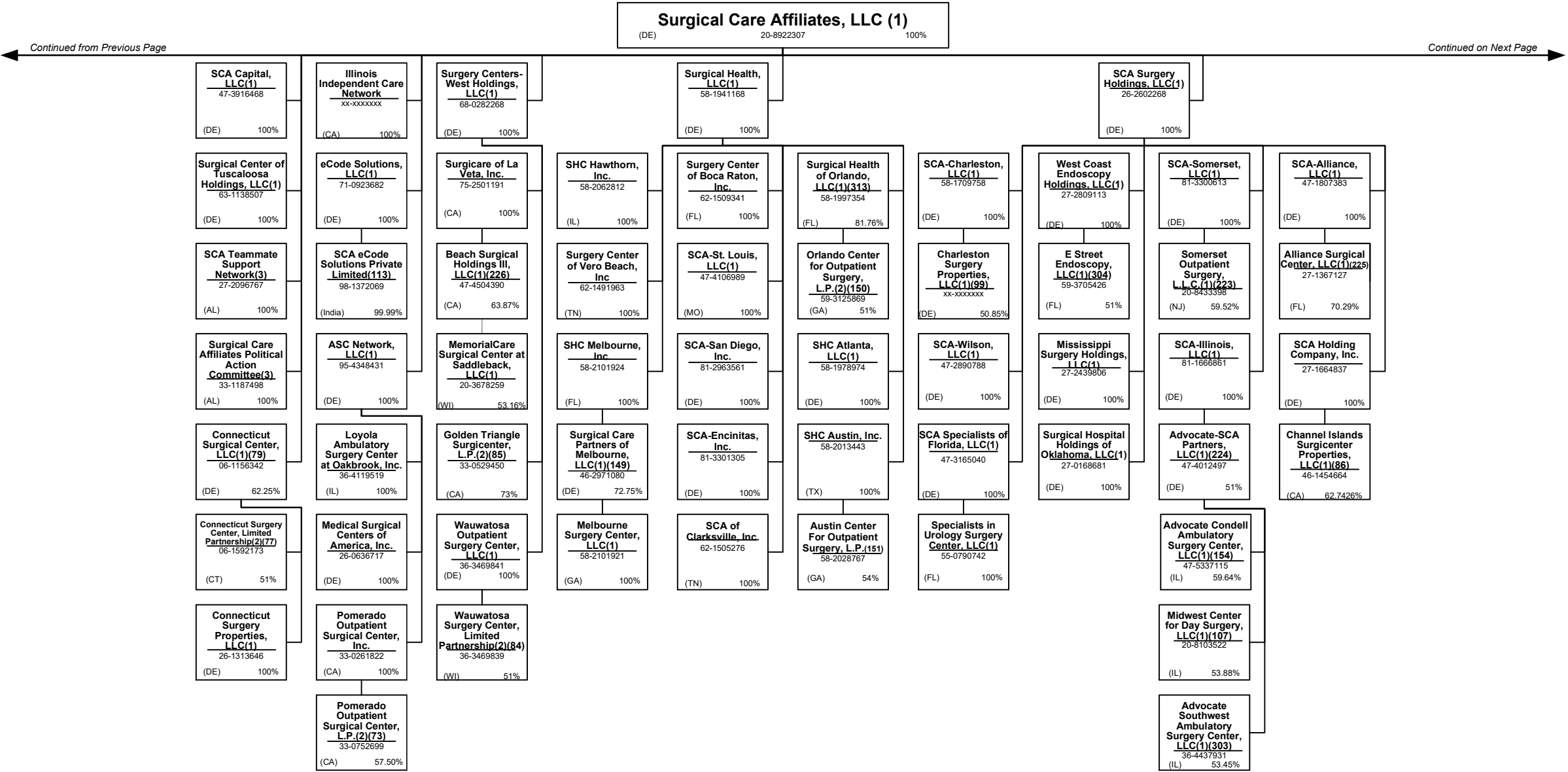
## PART 1 – ORGANIZATIONAL CHART



SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP  
PART 1 – ORGANIZATIONAL CHART

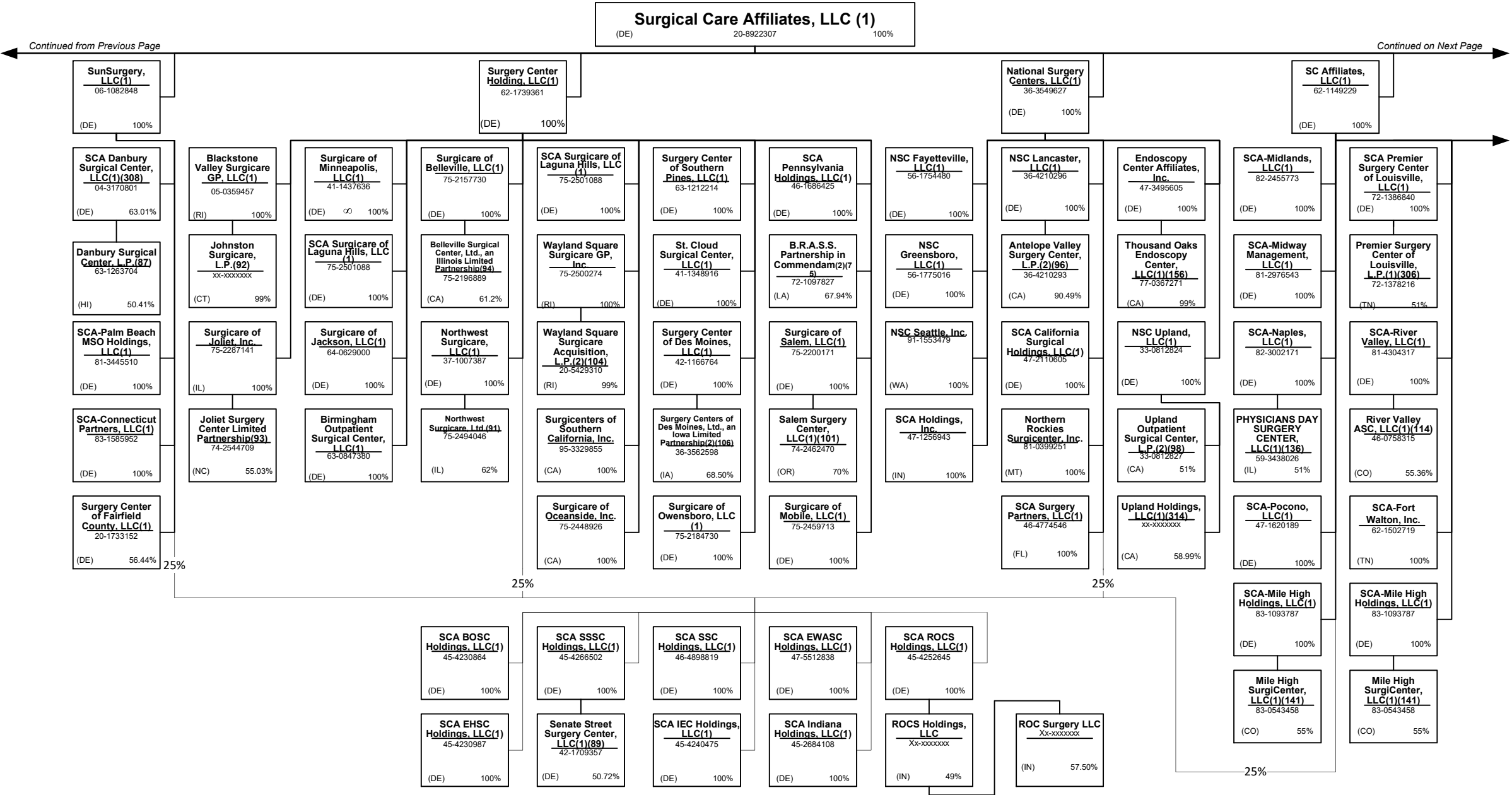


SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP  
PART 1 – ORGANIZATIONAL CHART



SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 – ORGANIZATIONAL CHART



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## SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

## PART 1 – ORGANIZATIONAL CHART

## Surgical Care Affiliates, LLC (1)

(DE) 20-8922307 100%

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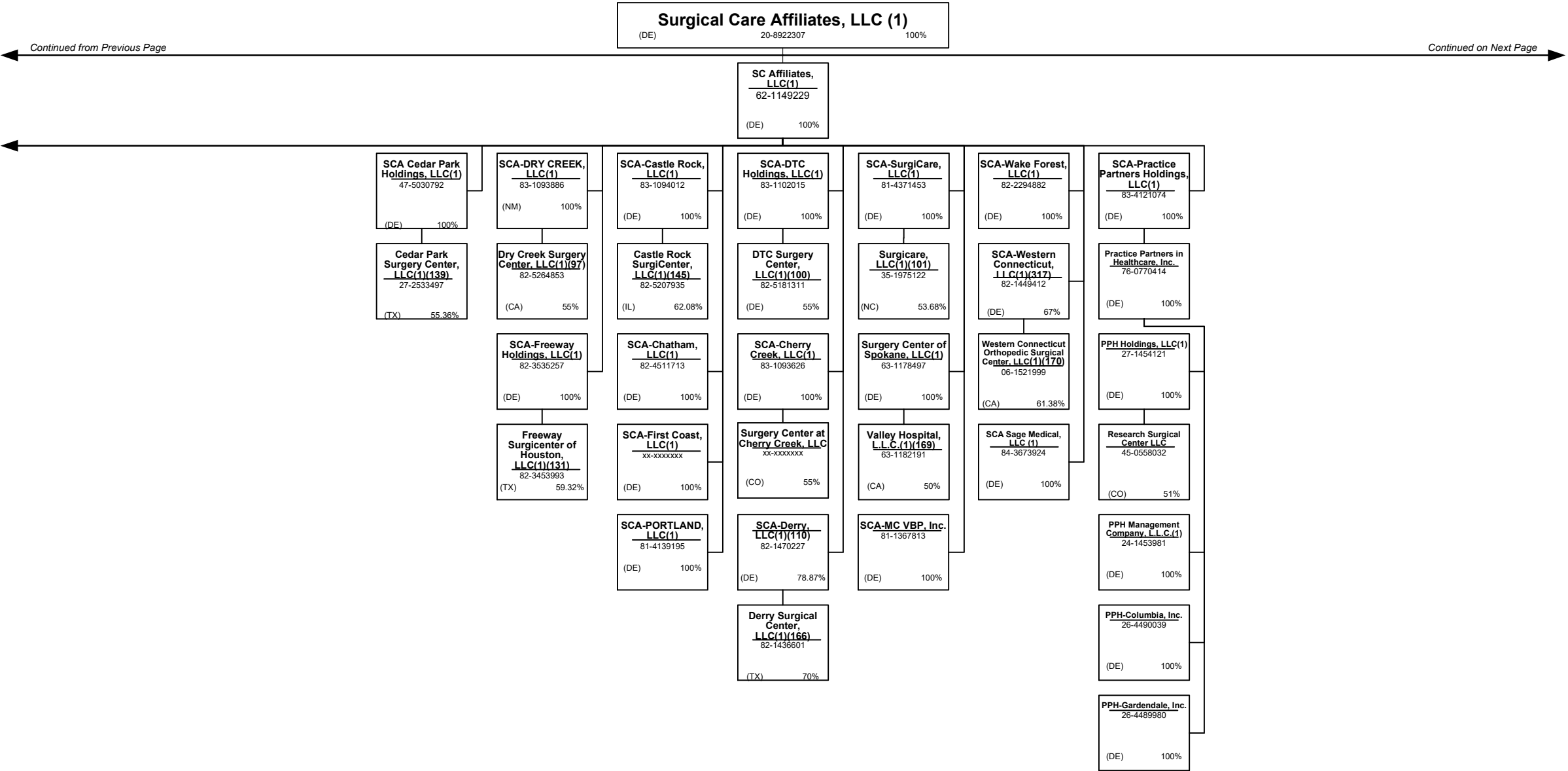
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SC Affiliates, LLC(1)  
62-1149229

(DE) 100%

<b>SCA-Albuquerque Surgery Properties, Inc.</b> 74-2555097 (CA) 100%	<b>SCA-Brandon, LLC(1)(143)</b> 82-1980137 (DE) 100%	<b>SCA-Westover Hills, LLC(1)</b> 82-3689825 (DE) 100%	<b>SCA-Bonita Springs, LLC(1)</b> XX-XXXXXXX (DE) 100%	<b>SCA-Riverside, LLC(1)</b> 83-2721919 (DE) 100%	<b>Alaska Surgery Center, Inc.</b> 92-0080881 (AK) 100%	<b>SCA-Citrus, Inc.</b> 62-1516306 (TN) 100%	<b>OC Cardiology Practice Partners, LLC(1)</b> 83-4364718 (DE) 100%	<b>SCA Surgery Center of Cullman, LLC(1)</b> 63-1286887 (DE) 100%	<b>SCA-Hilton Head, LLC(1)</b> 47-5229514 (SC) 100%	<b>Surgery Center of Maul, LLC(1)</b> 63-1231944 (DE) 100%	<b>SCA-Blue Ridge, LLC(1)</b> 62-1530120 (DE) 100%
<b>SCA-Anne Arundel, LLC(1)</b> 82-4763869 (CA) 100%	<b>Brandon Ambulatory Surgery Center, LLC(1)(147)</b> 20-2387834 (IN) 54.54%	<b>SCA-GRANTS PASS, LLC(1)</b> 82-1438326 (DE) 100%	<b>Trails Edge Surgery Center, LLC(1)(126)</b> 83-1528858 (FL) 59%	<b>SCA Pacific Holdings, Inc.</b> 27-1707364 (CA) 100%	<b>SCA-Newport Beach, LLC(1)</b> 47-1760663 (CA) 100%	<b>Citrus Regional Surgery Center, L.P.(2)(122)</b> 62-1510209 (TN) 57%	<b>ASC Holdings of New Jersey, LLC(1)</b> 46-3907136 (NJ) 100%	<b>SCA-New Jersey, LLC(1)</b> 47-4418919 (DE) 100%	<b>The Outpatient Surgery Center of Hilton Head, LLC(1)(130)</b> 61-1409045 (IN) 50%	<b>Aloha Surgical Center, LLC(1)(234)</b> 63-1231942 (TN) 74%	<b>Blue Ridge GP, LLC(1)</b> 27-2241593 (NC) 100%
<b>SCA-Bethesda, LLC(1)</b> 82-3857984 (DE) 100%	<b>SCA-St. Lucie, LLC(1)</b> 82-3270591 (DE) 100%	<b>GRANTS PASS SURGERY CENTER, LLC(1)(219)</b> 93-1237063 (NJ) 51%	<b>SCA-Ft. Myers, LLC(1)</b> XX-XXXXXXX (DE) 100%	<b>SCA-Houston Executive, LLC(1)</b> 81-3445356 (DE) 100%	<b>SCA-Marina del Rey, LLC(1)</b> 47-1751165 (FL) 100%	<b>SCA-Eugene, Inc.</b> 62-1541235 (TN) 100%	<b>East Brunswick Surgery Center, LLC(1)(231)</b> 02-0593133 (NJ) 51%	<b>SCA-Florence, LLC(1)</b> 62-1551099 (DE) 100%	<b>SCA-JPM Holdings, LLC(1)</b> 83-3090526 (DE) 100%	<b>SCA-Grove Place, LLC(1)</b> 81-2376695 (DE) 100%	<b>SCA-Chevy Chase, LLC(1)</b> 81-3301058 (DE) 100%
<b>Massachusetts Avenue Surgery Center, LLC(1)(142)</b> 20-0815305 (IN) 56.69%	<b>THE SURGICAL CENTER OF THE TREASURE COAST, L.L.C.(1)(172)</b> 37-1446353 (TX) 51%	<b>SCA-VERTA, LLC(1)</b> 82-1987225 (DE) 100%	<b>SCA-Rockville, LLC(1)</b> 47-1647512 (FL) 100%	<b>Executive Surgery Center, LLC(1)(118)</b> 30-0701899 (TX) 53.85%	<b>Santa Cruz Endoscopy Center, LLC(1)(307)</b> 91-2127820 (CA) 50%	<b>SCA-Sacred Heart Holdings, LLC</b> XX-XXXXXXX (DE) 100%	<b>SCA Southwestern PA, LLC(1)</b> 47-4928368 (DE) 100%	<b>SCA-Gainesville, LLC(1)</b> 62-1547690 (DE) 100%	<b>SCA-Downey, LLC(1)</b> 83-3055579 (DE) 100%	<b>Grove Place Surgery Center, L.L.C.(1)(235)</b> 01-0619096 (FL) 70.71%	<b>Metropolitan Medical Partners, LLC(1)(135)</b> 52-2303928 (MD) 65.13%
<b>SCA-Spartanburg Holdings, LLC(1)</b> 82-4499088 (DE) 100%	<b>SCA-Doral, LLC(1)</b> 81-3734814 (DE) 100%	<b>VERTA MANAGEMENT SERVICES, LLC(1)(220)</b> 81-4629242 (AZ) 50%	<b>Surgery Center of Rockville, L.L.C.(1)(129)</b> 11-3701564 (MD) 59%	<b>Health Inventures, LLC(1)</b> 04-3723090 (DE) 100%	<b>SCA-Practice Partners Holdings, LLC(1)</b> XX-XXXXXXX (DE) 100%	<b>Sacred Heart ASC, LLC</b> XX-XXXXXXX (FL) 100%	<b>Advanced Surgical Hospital, LLC(1)(232)</b> 26-4093335 (PA) 53.45%	<b>SCA-Northeast Georgia Health, LLC(1)(133)</b> 62-1589343 (TN) 50.1%	<b>SCA-Applecare Partners, LLC(1)</b> 83-2703057 (DE) 81.67%	<b>SCA-Gladiolus, LLC(1)</b> 81-1956407 (DE) 100%	<b>SCA-Merritt, LLC(1)</b> 81-1771410 (DE) 100%
<b>SCA-Woodlands Holdings, LLC(1)</b> 82-3528300 (DE) 100%	<b>MIAMI SURGERY CENTER, LLC(1)(105)</b> 36-4600281 (DE) 50.18%	<b>SCA-Kissing Camels Holdings, LLC(1)</b> 83-1102109 (DE) 100%	<b>SCA-Central Florida, LLC(1)(309)</b> 47-1535510 (FL) 55.36%	<b>Health Inventures Employment Solutions, LLC(1)</b> 20-5944768 (DE) 100%	<b>Glenwood-SC, Inc.</b> 62-1601450 (TN) 100%	<b>SCA-Winter Park, Inc.</b> 62-1525777 (TN) 100%	<b>Gadsden Surgery Center, LLC(1)</b> 63-0833765 (DE) 100%	<b>Gainesville Surgery Center, L.P.(2)(134)</b> 62-1600268 (TN) 87%	<b>SCA-Frederick, LLC(1)</b> 81-2727879 (DE) 100%	<b>SCA-Dublin, LLC(1)</b> 81-1594261 (DE) 100%	<b>SCA Rockledge JV, LLC(1)(120)</b> 81-5211225 (MI) 97%
<b>Surgery Center of The Woodlands, LLC(1)(171)</b> 82-3448050 (SC) 54.79%	<b>SCA-Palm Beach, LLC(1)</b> 82-3050836 (DE) 100%	<b>Surgery Center at Kissing Camels, LLC(1)(125)</b> 82-5207693 (DE) 60.50%	<b>Childrens Surgery Center, LLC(1)(128)</b> 26-2389638 (FL) 50%	<b>H.I. Investments Holding Company, LLC(1)</b> 26-1227494 (DE) 100%	<b>Glenwood Surgical Center, L.P.</b> 33-0595220 (CA) ∞ 56.73%	<b>Winter Park, LLC(1)(233)</b> 62-1587564 (TN) 51%	<b>Gadsden Surgery Center, Ltd.(2)(132)</b> 62-1488653 (AL) 58.50%	<b>Gainesville Surgery Properties, LLC(1)</b> 62-1600268 (NH) 100%	<b>Thomas Johnson Surgery Center, LLC(1)(138)</b> 26-1479919 (MD) 65%	<b>Dublin Surgery Center, LLC(1)(137)</b> 27-2103713 (OH) 58.80%	<b>Space Coast Surgical Center, Ltd.(2)(124)</b> 75-2516426 (FL) 52.19%

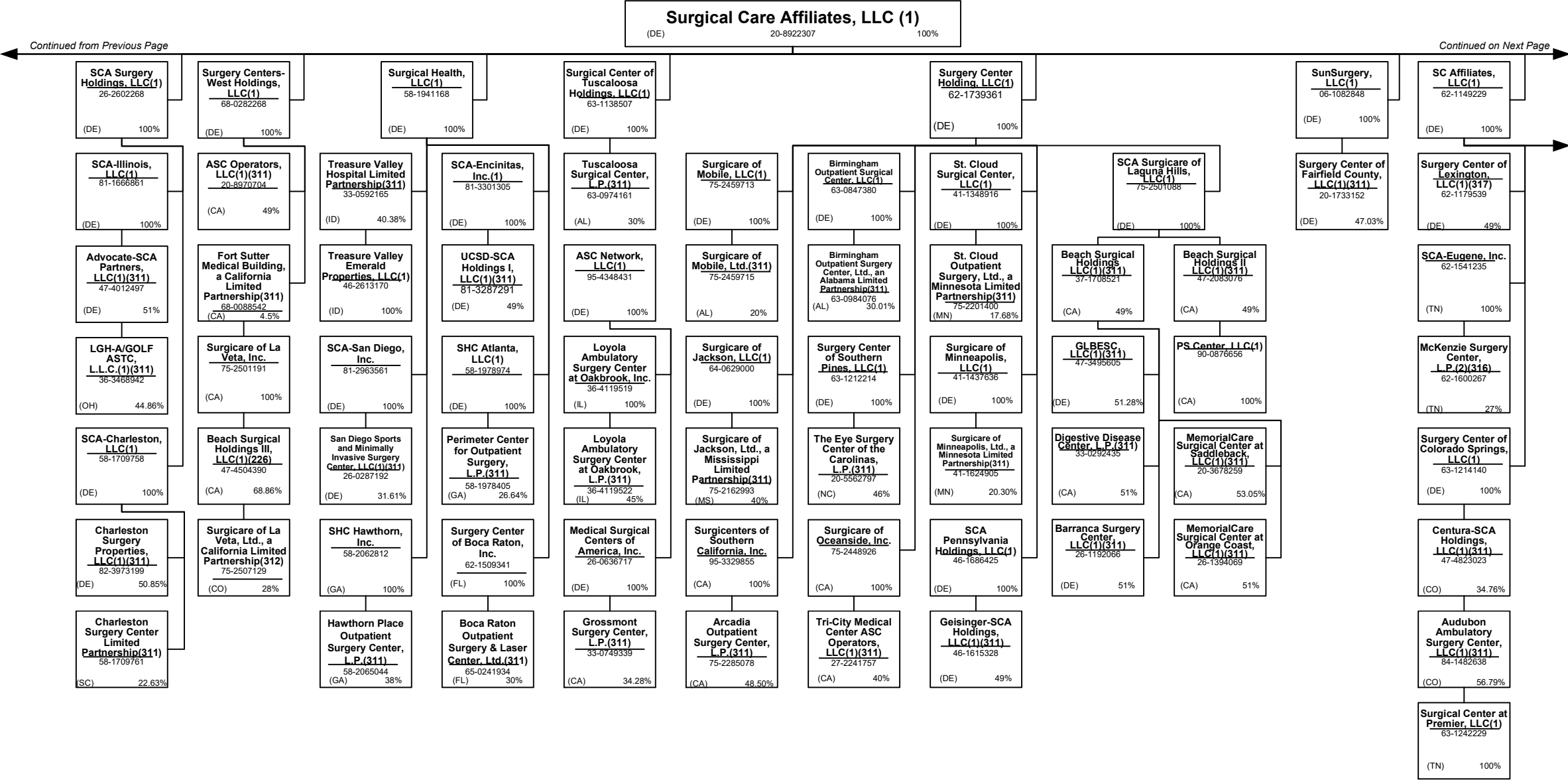
SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP  
PART 1 – ORGANIZATIONAL CHART



SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

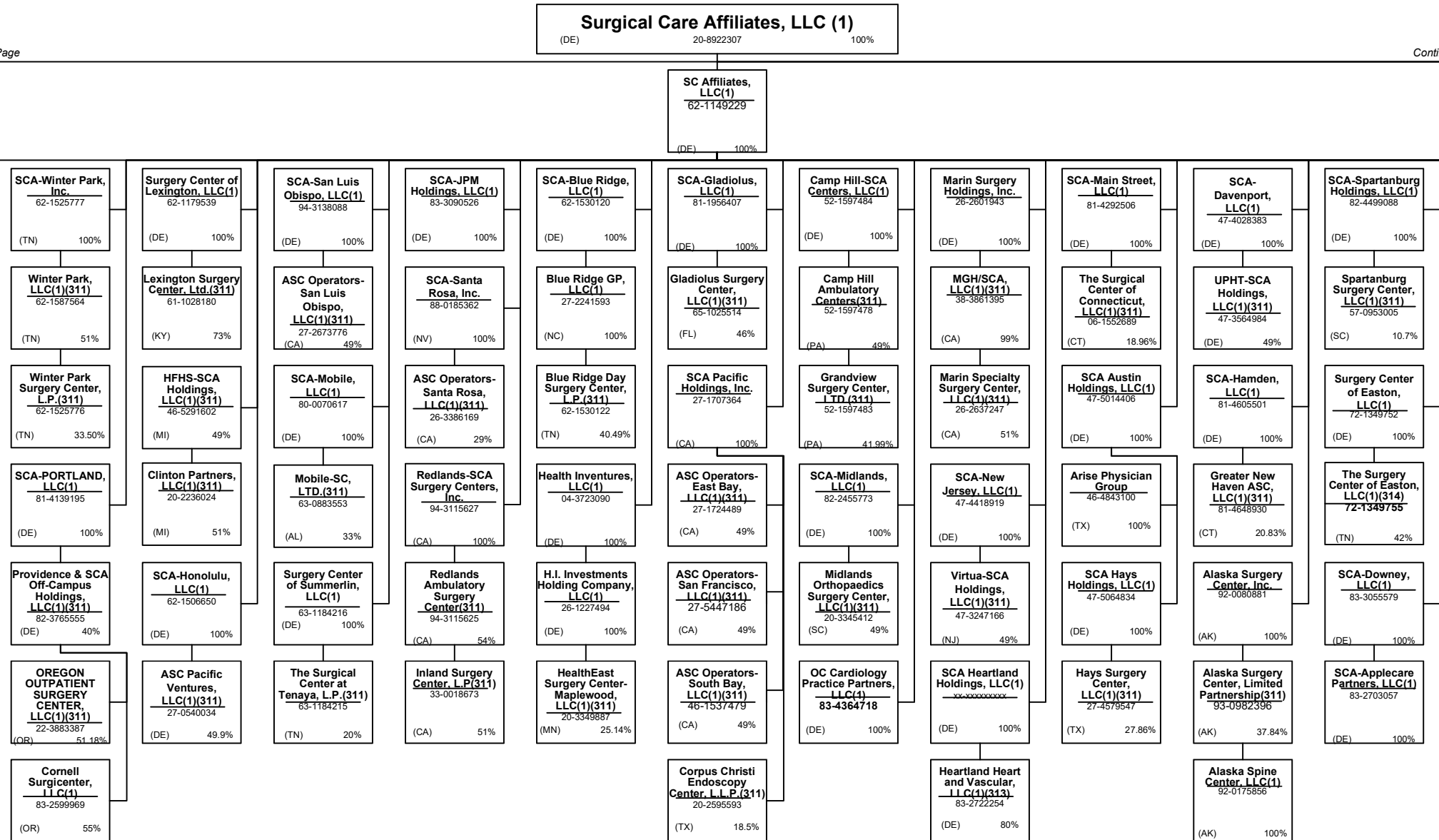
PART 1 – ORGANIZATIONAL CHART

NOTE: All Companies below are minority owned entities of Surgical Care Affiliates, LLC.



**SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP****PART 1 – ORGANIZATIONAL CHART**

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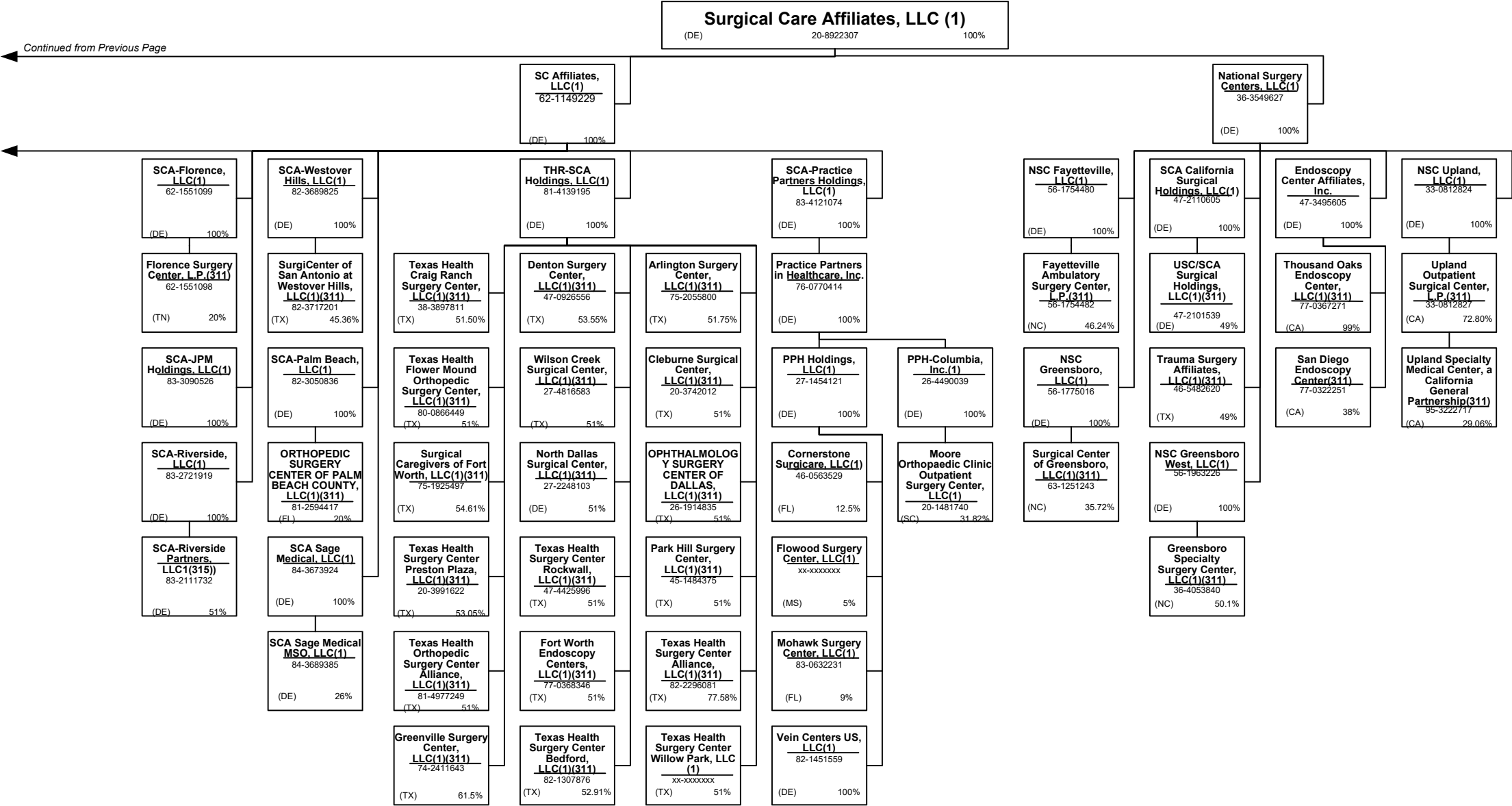
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SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 – ORGANIZATIONAL CHART

NOTE: All Companies below are minority owned entities of Surgical Care Affiliates, LLC.



**SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP****PART 1 – ORGANIZATIONAL CHART****Physician Owned Entities**

<b>Entity Name</b>	<b>Domiciliary Location</b>	<b>ID Number</b>	<b>Entity Name</b>	<b>Domiciliary Location</b>	<b>ID Number</b>	<b>Entity Name</b>	<b>Domiciliary Location</b>	<b>ID Number</b>
4C MHT, LLC	AZ	--	Hospitaist Medicine Physicians of Cortland County, PLLC	NY	--	INSPIRIS of Minnesota Medical Services, P.C.	MN	27-3903401
A.G. Dkengil, Inc.	NJ	22-349300	Hospitaist Medicine Physicians of Cuyahoga County Ltd.	OH	--	INSPIRIS of New York Medical Services, P.C.	NY	13-4168739
A.T. LLC	AZ	--	Hospitaist Medicine Physicians of Davidson County, PLLC	NC	--	INSPIRIS of Pennsylvania Medical Services, P.C.	PA	26-2895670
Allan J. Ebbin, MD., P.C.	NV	86-0499345	Hospitaist Medicine Physicians of Delaware, P.A.	DE	--	INSPIRIS of Tennessee Medical Services, P.C.	TN	27-5248736
AppleCare Hospitalists Medical Group, Inc.	CA	11-1690491	Hospitaist Medicine Physicians of Durham County, PLLC	NC	--	Integrated Physician Technology LLC	CA	--
AppleCare Medical Group St. Francis, Inc.	CA	33-0845269	Hospitaist Medicine Physicians of Forsyth County, PLLC	NC	--	March Vision Care Group, Incorporated	CA	95-4874334
AppleCare Medical Group, Inc.	CA	33-0998174	Hospitaist Medicine Physicians of Fredericksburg LLC	VA	--	Marvin McBride Medical Services, P.C.	MD	27-2830856
ARTA Health Network, P.C.	CA	46-1772418	Hospitaist Medicine Physicians of Front Royal, LLC	VA	--	MAT-RX DEVELOPMENT, LLC	TX	43-1967820
ARTA Western California, Inc.	CA	33-0658915	Hospitaist Medicine Physicians of Harnett County, P.LLC	NC	--	Max-Rx Fort Worth GP, L.L.C.	TX	35-2262635
Aspectus, Inc.	MA	04-3403101	Hospitaist Medicine Physicians of Imperial County, Inc.	CA	--	ME Urgent Care Nebraska, Inc.	NE	81-0938574
Bessler, MD, PLLC	NV	--	Hospitaist Medicine Physicians of Indiana, LLC	IN	--	MedExpress Employed Services, Inc.	DE	81-1265129
Better Health Value Network, LLC	WA	47-4349079	Hospitaist Medicine Physicians of Iowa, PLC	IA	--	MedExpress Primary Care Arizona, P.C.	AZ	81-4550969
California Spring Holdings, PC	CA	81-0881243	Hospitaist Medicine Physicians of Kanawha County, PLLC	WV	--	MedExpress Primary Care Arkansas, P.A.	AR	Applied for
Car, PLLC	TN	--	Hospitaist Medicine Physicians of Kentucky, PLLC	KY	--	MedExpress Primary Care Kansas, P.A.	KS	81-4605885
Centers for Family Medicine, GP	CA	33-0483510	Hospitaist Medicine Physicians of Los Angeles County, Inc.	CA	--	MedExpress Primary Care Maryland, P.C.	MD	82-3384324
Cogen: Healthcare of Pennsylvania, Inc.	PA	--	Hospitaist Medicine Physicians of Louisiana, LLC	LA	--	MedExpress Primary Care Massachusetts, P.C.	MA	82-1056033
Cogen: Healthcare of Texas, P.A.	TX	--	Hospitaist Medicine Physicians of Marathon County, Ltd.	WI	--	MedExpress Primary Care Minnesota P.C.	MN	81-4366738
Critical Care Physicians of Illinois, LLC	IL	--	Hospitaist Medicine Physicians of Michigan, PLLC	MI	--	MedExpress Primary Care Oklahoma, P.C.	OK	83-1077265
Dallas Inpatient Specialist, PLLC	TX	--	Hospitaist Medicine Physicians of Mississippi, LLC	MS	--	MedExpress Primary Care South Carolina, P.C.	SC	83-0764858
David Moen, M.D. P.C.	NY	81-510448	Hospitaist Medicine Physicians of Monterey County, Inc.	CA	--	MedExpress Primary Care Texas, P.A.	TX	84-2580750
David R. Ferrell, M.D., P.C.	NV	45-2380322	Hospitaist Medicine Physicians of Multiple Practice Sites, LLC	DE	--	MedExpress Primary Care Virginia, P.C.	VA	82-3395792
Day-OP Center Of Long Island Inc.	NY	11-2811353	Hospitaist Medicine Physicians of New York, PLLC	NY	--	MedExpress Primary Care West Virginia, Inc.	WV	82-4401181
Empire Physicians' Medical Group, Inc.	CA	33-0181426	Hospitaist Medicine Physicians of Ohio County, PLLC	WV	--	MedExpress Primary Care Wisconsin, S.C.	WI	81-4563448
Everett Physicians, Inc. P.S.	WA	81-1626636	Hospitaist Medicine Physicians of Rapides Parish, L.L.C.	LA	--	MedExpress Urgent Care - New Jersey, P.C.	NJ	45-5388778
First Hill Surgery Center, LLC	WA	47-2066485	Hospitaist Medicine Physicians of Richland County, Ltd.	OH	--	MedExpress Urgent Care - Northern New Jersey PC	NJ	83-2089623
Fountain Hills Family Practice, P.C.	AZ	--	Hospitaist Medicine Physicians of Samaritan, PLLC	NY	--	MedExpress Urgent Care Arizona, P.C.	AZ	81-4030280
Greater Phoenix Collaborative Care, P.C.	AZ	27-2337725	Hospitaist Medicine Physicians of San Bernardino County, Inc.	CA	--	MedExpress Urgent Care Arkansas, P.A.	AR	46-4348120
HealthCare Partners Affiliates Medical Group	CA	95-4526112	Hospitaist Medicine Physicians of San Luis Obispo County, Inc.	CA	--	MedExpress Urgent Care California, P.C.	CA	82-0930112
HealthCare Partners ASC-HB, LLC	CA	26-4247365	Hospitaist Medicine Physicians of Summit County, Ltd.	OH	--	MedExpress Urgent Care Connecticut, P.C.	CT	81-1956812
HealthCare Partners Associates Medical Group, P.C.	CA	45-5273760	Hospitaist Medicine Physicians of Sylvania Ltd.	OH	--	MedExpress Urgent Care Idaho, P.C.	ID	82-1135336
HealthCare Partners Medical Group (Coats), Ltd.	NV	88-0213519	Hospitaist Medicine Physicians of Texas, PLLC	TX	--	MedExpress Urgent Care Illinois, P.C.	IL	47-4308614
HealthCare Partners Medical Group, P.C.	CA	95-4340584	Hospitaist Medicine Physicians of Washington County, LLC	PA	--	MedExpress Urgent Care Iowa, P.C.	IA	81-5333472
Homecare Dimensions of Florida, Inc.	TX	--	Hospitaist Medicine Physicians of West Virginia, PLLC	WV	--	MedExpress Urgent Care Kansas, P.A.	KS	47-1919293
Homecare Dimensions, Inc.	TX	--	Hospitaist Medicine Physicians of Wisconsin Rapids Ltd.	WI	--	MedExpress Urgent Care Minnesota P.C.	MN	81-1125336
Hospitalist Medicine Physicians of Wood County, PLLC	WV	--	Hospitaist Medicine Physicians of Wisconsin, Ltd.	WI	--	MedExpress Urgent Care Missouri P.C.	MO	47-3132625
Hospitalist Medicine of North Carolina, PLLC	NC	--	IN Style OPTICAL, LLC	MA	27-3296953	MedExpress Urgent Care North Carolina, P.C.	NC	81-5138747
Hospitalist Medicine Physician of Broome County, PLLC	NY	--	Independent Physician Management LLC	CA	--	MedExpress Urgent Care Oregon, P.C.	OR	82-1919436
Hospitalist Medicine Physicians of Albany County, PLLC	NY	--	Inland Faculty Medical Group, Inc.	CA	33-0618077	MedExpress Urgent Care Rhode Island, P.C.	RI	81-5362765
Hospitalist Medicine Physicians of Ashland County, Ltd.	OH	--	Inpatient Services PC	CO	--	MedExpress Urgent Care South Carolina, P.C.	SC	81-5380706
Hospitalist Medicine Physicians of Buncombe County, PLLC	NC	--	INSPIRIS Medical Services of New Jersey, P.C.	NJ	45-2533134	MedExpress Urgent Care Texas, P.A.	TX	47-5147411
Hospitalist Medicine Physicians of Calhoun County, PLLC	MI	--	INSPIRIS of Alabama Medical Services, P.C.	AL	27-2295035	MedExpress Urgent Care Washington, P.C.	WA	82-2443118
Hospitalist Medicine Physicians of California, Inc.	CA	--	INSPIRIS of Arizona Medical Services, P.C.	AZ	26-2895318	MedExpress Urgent Care Wisconsin, S.C.	WI	81-4281678
Hospitalist Medicine Physicians of Charleston, PLLC	WV	--	INSPIRIS of Florida Medical Services, P.A.	FL	450820510	MedExpress Urgent Care, no. - West Virginia	WV	26-4546430
Hospitalist Medicine Physicians of Connecticut, LLC	CT	--	INSPIRIS of Michigan Medical Services, P.C.	MI	27-1561674	MedExpress Urgent Care, P.C. - Georgia	GA	47-1804667

## SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

## PART 1 – ORGANIZATIONAL CHART

## Physician Owned Entities

Entity Name	Domiciliary Location	ID Number	Entity Name	Domiciliary Location	ID Number	Entity Name	Domiciliary Location	ID Number
MedExpress Urgent Care, F.C. – Indiana	IN	30-0923572	ProHEALTH Accountable Care Medical Group, PLLC	NY	45-4463117	Sound Physicians of Wyoming, LLC	WY	--
MedExpress Urgent Care, F.C. – Maryland	MD	45-3461131	ProHEALTH Ambulatory Surgery Center, Inc.	NY	11-3447394	South Sound Inpatient Physicians, PLLC	MA	--
MedExpress Urgent Care, F.C. – Massachusetts	MA	47-1857938	ProHEALTH Care Associates of New Jersey LLP	NJ	47-5658253	Surgeons of La Veta, Ltd.	CA	75-2507129
MedExpress Urgent Care, F.C. – Michigan	MI	46-4793937	ProHEALTH Medical NY, P.C.	NY	--	Talbert Medical Group, P.C.	CA	93-1172065
MedExpress Urgent Care, F.C. – Oklahoma	OK	47-1824385	ProHealth Physicians, P.C.	CT	08-463068	TeamMD Physicians, P.C.	IA	30-0445773
MedExpress Urgent Care, F.C. – Pennsylvania	PA	26-3750502	ProHEALTH Urgent Care Medicine of New Jersey LLP	NJ	47-5661535	The Everett Clinic, PLLC	VA	91-0214500
MedExpress Urgent Care, F.C. – Tennessee	TN	45-4973138	ProHEALTH Urgent Care Medicine, PLLC	NY	48-883579	The Polyclinic, PLLC	VA	91-0363073
MedExpress Urgent Care, F.C. – Virginia	VA	45-3123110	Prospero Health Partners, P.C.	MN	84-3234753	Urgent Care New York, P.C.	NY	82-2400620
MedExpress Urgent Care, F.S.C. – Kentucky	KY	83-1565124	Prospero Medical Services New Jersey, P.C.	NJ	84-3844362	Urology Specialists Pediatric Division, (McBeath), PLLC	NV	--
MedExpress, Inc. – Delaware	DE	45-5436856	Redlands Family Practice Medical Group, Inc.	CA	56-2627067	USMD Cancer Treatment Centers GP, LLC.	TX	80-0845498
Memorial Healthcare IPA, GP	CA	95-4698463	Reliant Medical The Endoscopy Center, LLC	MA	--	USMD Cancer Treatment Centers, LLC	TX	26-2245431
Metro 1 Stone Management, Ltd.	TX	59-3392313	Riptide Merger Sub, PC	CA	--	USMD Diagnostic Services, LLC	TX	27-2803133
MH Holdings One, a Medical Corporation	CA	27-4607374	Riverside Community Healthplan Medical Group, Inc.	CA	33-0055097	USMD of Arlington GP, LLC.	TX	73-1662757
MH Merger Sub, a Medical Corporation	CA	27-4607208	Riverside Imaging Center, Inc.	NJ	--	Vein Ablation Specialists and Consultants LLC	AZ	--
MH Physician Three Holdings, a Medical Corporation	CA	27-4691544	Riverside Pediatric Group, P.C.	NJ	22-3821559	Vanderer Merger Sub, A Medical Corporation	CA	--
MHCH, Inc.	CA	80-0507474	Robert A. Besser, MD, PLLC	NV	--	Waypoint Minnesota PC	MN	46-2854394
MHIPA Physician Two Holdings, a Medical Corporation	CA	27-4691538	Robert B. McBeath, M.D. II, P.C.	NV	88-0857176	Waypoint Minnesota Sports PC	MN	46-3949765
Mobile Medical Services, P.C.	NV	30-0445773	Robert B. McBeath, M.D. III, P.C.	NV	46-2662506	WellMed DFW Medicare ACO, LLC	TX	84-2204650
Mobile-SC, LTD.	AL	63-0883553	Robert B. McBeath, M.D., Professional Corporation	NV	88-0310956	WellMed Florida Medicare ACO, LLC	TX	84-2233329
Monarch Health Plan, Inc.	CA	22-3935634	Robert J. Fauer, MD, P.C.	AZ	--	WellMed Greater Texas Medicare ACO, LLC	TX	34-2178104
Monarch Health Care, A Medical Group, no.	CA	33-0587660	Saddleback Outpatient Surgery Center, LLC	CA	75-2507128	WellMed Medical Group, P.A.	TX	74-2574229
Monarch Hospice, LLC	CA	30-0636451	San Bernardino Medical Group, Inc.	CA	--	WellMed Network of Florida, Inc.	TX	35-2314192
Mosaic Management Services, Inc.	CA	20-5892451	Sanvello Behavioral Health Services of Texas, P.A.	TX	84-3152208	WellMed Networks - DFW, Inc.	TX	41-2250215
NAMMM Medical Group Holdings, Inc.	CA	56-2627070	Sanvello Behavioral Health Services, P.A.	DE	84-754732	WellMed Networks, Inc.	TX	74-2889447
NAMMMGH, Inc.	CA	61-1627269	Sound Inpatient Physicians – Michigan, PLLC	MI	--	WellMed of Las Cruces, Inc.	TX	32-0183013
Niagara Hospitalist, P.C.	NY	--	Sound Inpatient Physicians Medical Group, Inc.	CA	--	WellMed Tampa/Orlando Medicare ACO, LLC	TX	84-2193803
Nifty After Fifty/Monarch, LLC	CA	26-2995765	Sound Inpatient Physicians of Ohio, LLC	OH	--	WellMed Texas Medicare ACO, LLC	TX	84-2219963
Northridge Medical Group, Inc.	CA	95-4748023	Sound Physicians Emergency Medicine of Kentucky, PLLC	KY	--	West Valley Internal Medicine Associates, LLC.	AZ	--
Northwest Medical Group Alliance, LLC	WA	91-1639944	Sound Physicians Emergency Medicine of Michigan, PLLC	MI	--	West Valley Urgent Care, LLC	AZ	--
NPA IPA, Washington, PLLC	WA	61-1855159	Sound Physicians Emergency Medicine of South Carolina, LLC	SC	--	WHD Medical, PLLC	TX	45-2158334
Optum Clinic, P.A.	TX	75-2778455	Sound Physicians Emergency Medicine of Texas, PLLC	TX	--	XLHome Michigan, P.C.	MI	46-3537245
Optum Medical Services of California, P.C.	CA	30-0826311	Sound Physicians Emergency Medicine of West Virginia, PLLC	WV	--	XLHome Northeast, P.C.	NJ	45-5530241
Optum Medical Services of Colorado, P.C.	CO	45-5424191	Sound Physicians Intensivists of Washington, PLLC	WA	--	XLHome Oklahoma, Inc.	OK	46-2931689
Optum Medical Services, P.C.	NC	45-3866363	Sound Physicians of Idaho, PLLC	ID	--	XLHome, P.C.	MD	27-3543997
Perham Physical Therapy, LLC	MN	20-5609377	Sound Physicians of Illinois, LLC	IL	--			
Physician Associates of the Greater San Gabriel Valley	CA	--	Sound Physicians of Indiana, LLC	IN	--			
Physician Partners Medical Group, Inc.	CA	30-0516435	Sound Physicians of Iowa, PLLC	IA	--			
PhysiciansCare Network, LLC.	WA	--	Sound Physicians of Kankakee, Illinois, LLC	IL	--			
Polyclinic Holdings, P.C.	WA	83-3042027	Sound Physicians of Massachusetts, Inc.	MA	--			
Polyclinic Management Services Company, LLC	WA	--	Sound Physicians of Nebraska, LLC	NE	--			
Primary Care Associated Medical Group, Inc.	CA	33-0527335	Sound Physicians of New Jersey, LLC	NJ	--			
Prime Community Care, Inc.	CA	30-0516440	Sound Physicians of New York, PLLC	NY	--			
PrimeCare Medical Group of Chino Valley, Inc.	CA	33-0645768	Sound Physicians of North Carolina, PLLC	NC	--			
Professional Coverage Services, PLLC	TN	--	Sound Physicians of South Carolina, LLC	SC	--			

SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 – ORGANIZATIONAL CHART

Notes

All legal entities on the Organization Chart are Corporations unless otherwise indicated.

- 5123
- (1) Entity is a Limited Liability Company
  - (2) Entity is a Partnership
  - (3) Entity is a Non-Profit Corporation
  - (4) Control of the Foundation is based on sole membership, not the ownership of voting securities
  - (5) COI Participações S.A. is 89.10289% owned by Esho – Empresa de Serviços Hospitalares S.A. and 10.8971% owned by COIPAR Participações S.A.
  - (6) TBD
  - (7) UnitedHealthcare India Private Limited is 99.999335% owned by OptumHealthInternational B.V. and 0.000665% owned by UnitedHealth International, Inc. OptumHealth International BV holds 100% of the issued preference shares.
  - (8) General partnership interests are held by United HealthCare Services, Inc. (89.77%) and by UnitedHealthcare, Inc. (10.23%). United HealthCare Services, Inc. also holds 100% of the limited partnership interests. When combining general and limited partner interests, United HealthCare Services, Inc. owns 94.18% and UnitedHealthcare, Inc. owns 5.83%.
  - (9) Newton Holdings, LLC, is 80.1% owned by Collaborative Care Holdings, LLC and the remaining 19.9% is owned by outside shareholders.
  - (10) WellMed Medical Management, Inc. is 85% owned by Collaborative Care Holdings, LLC and 15% owned by WMG Healthcare Partners, L.P.
  - (11) Seisa Serviços Integrados de Saúde Ltda is 99.99% owned by Amil Assistência Médica Internacional S.A. and 0.00001% owned by Cemed Care – Empresa de Atendimento Clínico Geral Ltda.
  - (12) Optum Health & Technology (India) Private Limited is 99.9995% owned by OptumHealth International B.V. and 0.0005 % owned by United Behavioral Health.
  - (13) INSPIRIS of Texas Physician Group is a Texas non-profit (taxable) whose sole member is Inspiris Services Company.
  - (14) PrimeCare of Citrus Valley, Inc. is 80% owned by PrimeCare Medical Network, Inc. and 20% owned by Citrus Valley Medical Associates, Inc.
  - (15) Optum Clinics Holdings, Inc. is 97.9% owned by Collaborative Care Holdings, LLC and 2.1% is owned by external shareholders.
  - (16) Optum Global Solutions (India) Private Limited is 99.999466 % owned by Optum Global Solutions International BV and 0.000534% UnitedHealth International, Inc. as nominee of Optum Global Solutions International BV per India requirement to have two shareholders.
  - (17) Amico Saúde Ltda. is 98.927933% owned by Santa Helena Assistência Médica S.A. and 1.072067% owned by Cemed Care – Empresa de Atendimento Clínico Geral Ltda.
  - (18) Esho – Empresa de Serviços Hospitalares S.A. is 99.667% owned by Amil Assistência Médica Internacional S.A.and the remaining 0.31798923769% is owned by external shareholders and 0.01462081847% is owned by Treasury Shares.
  - (19) Etho – Empresa de Tecnologia Hospitalar Ltda. 82.642% owned by Amil Assistência Médica Internacional S.A.and 17.358% owned by an external shareholder.
  - (20) Orthology, Inc. is 98% owned by UnitedHealth Group Ventures, LLC and 2% owned by external shareholders.
  - (21) Medalliance Net Ltda. is owned 99.999985% by Optum Health & Technology Serviços do Brasil Ltda. and 0.000015% by UHG Brasil Participações S.A.
  - (22) Branch offices in Iraq and Uganda.
  - (23) Cemed Care Empresa de Atendimento Clínico Geral Ltda. Is 99.9999996% owned by Amil Assistência Médica Internacional S.A. and 0.000004% owned by Esho – Empresa de Serviços Hospitalares S.A.

- (24) Optum 360, LLC is 69% owned by Optum Rocket, Inc; the remaining 31% is owned by external holders.
- (25) Optum Health & Technology Serviços do Brasil Ltda. is 99.998364% owned by Optum Global Solutions International B.V. and the remaining 0.001636% is owned by OptumInsight, Inc.
- (26) Bosque Medical Center Ltda. is 82.64% owned by Amil Assistência Médica Internacional S.A. and 17.3521% owned by Esho – Empresa de Servicos Hospitalares S.A.
- (27) H&W Indemnity (SPC), Ltd. is an exempted segregated portfolio company organized under the laws of the Cayman Islands and holds a Cayman insurance license.
- (28) Real Appeal, Inc. is 98% owned by Rally Health, and the remaining 2% is owned by external shareholders.
- (29) Optum Global Solutions (Philippines), Inc. is 99.992% owned by Optum Global Solutions International B.V., and the remaining 0.008% is held by individual shareholders who are directors of the company.
- (30) Amil Clinical Research Participações Ltda. is 99.95% owned by Esho – Empresa de Serviços Hospitalares S.A. and 0.05% owned by Cemed Care – Empresa de Atendimento Clínico Geral Ltda.
- (31) Imed Star Serviços de Desempenho Organizacional Ltda. is 99.99998% owned by Optum Health & Technology Serviços do Brasil Ltda and 0.00002% owned by UHG Brasil Participações S.A.
- (32) Hospital de Clínicas de Jacarepaguá Ltda. is 99.999999% owned by Esho – Empresa de Serviços Hospitalares S.A. and 0.000001% is owned by Cemed Care – Empresa de Atendimento Clínico Geral Ltda.
- (33) Hospital Alvorada Taguatinga Ltda. is 83.87% owned by Amil Assistência Médica Internacional S.A.8.62433% by Bosque Medical Center Ltda., and 7.49% is owned by Hospital Samaritano de São Paulo Ltda.
- (34) Registered as foreign shareholder in Brazil.
- (35) FrontierMEDEX Kenya Limited is 99.9% owned by UnitedHealthcare Global Medical (UK) Limited and 0.1% owned by UnitedHealthcare International I B.V.
- (36) UnitedHealthcare Global Canada Limited is registered in Nova Scotia and Newfoundland& Labrador.
- (37) The limited partners of UnitedHealth Group International, L.P. include FMG Holdings, LLC (29.39634%), and UnitedHealth Group Incorporated (70.60366%).
- (38) Polar II Fundo de Investimento em Participações is a Brazilian private equity investment fund incorporated in the form of a closed-end condominium.
- (39) Optum Global Solutions International B.V. is 97.48% owned by Optum Technology, Inc. and 2.52% is owned by OptumHealth International B.V.
- (40) Amil Assistência Médica Internacional S.A. is 91.81% owned by Polar II Fundo de Investimento em Participações and the remaining 8.19% is owned by the former controlling shareholders of Amil Assistência Médica Internacional S.A.
- (41) Lusíadas A.C.E. is 55% owned by Lusíadas, SGPS, S.A., 10% owned by Lusíadas – Parcerias Cascais, S.A., 20% owned by Lusíadas, S.A., 5% owned by Clínica Médico Cirúrgica de Santa Tecla, S.A. and 10% owned by CLISA – Clínica de Santo António, S.A.
- (42) TBD
- (43) Frontier Medex Tanzania Limited is 99% owned by UnitedHealthcare Global Medical (UK) Limited. The remaining 1% is owned by a former officer of Frontier MEDEX Limited and is being transferred to UnitedHealthcare International I BV.
- (44) Optum Solutions do Brasil – Tecnologia e Serviços de Suporte Ltda., is 99.9999%owned byAmil Assistência Médica Internacional S.A.and the remaining 0.0001% (1 quota) is owned by Cemed Care – Empresa de Atendimento Clínico Geral Ltda.

- (45) Multiangio Ltda. is 93% owned by Esho – Empresa de Serviços Hospitalares S.A. and the remaining 7% is owned by external shareholders.
- (46) Polo Holdco, LLC is 80.1% owned by Collaborative Care Holdings, LLC and the remaining 19.9% being owned by an outside third party.
- (47) Excellion Serviços Biomédicos Ltda is 99.999997% owned by Esho – Empresa de Serviços Hospitalares S.A. and 0.000003% is owned by Cemed Care - Empresa de Atendimento Clínico Geral Ltda.
- (48) Hospital Samaritano de São Paulo Ltda. is 99.9999998% owned by Esho – Empresa de Serviços Hospitalares S.A.and the remaining 0.0000002% is owned by Hospital Alvorada Taguatinga Ltda.
- (49) Optum360 Services, Inc.is 69% owned by Optum Rocket, Inc. and the remaining 31% is owned by external investors.
- (50) OptumInsight India Private Limited is 99% owned by ABCO International Holdings, LLC and 1% owned by The Advisory Board Company.
- (51) Branch office located in the United States.
- (52) UnitedHealthcare Insurance Company has a representative office in Beijing, China.
- (53) 4C MSO LLC, is 70% owned by Collaborative Care Holdings, LLC and 30% is owned by 5C Holdings LLC.
- (54) ProHEALTH Fitness of Lake Success, LLC is 82.62% owned by ProHEALTH Medical Management, LLC and 17.38% by an external shareholder.
- (55) Savvysherpa Asia, Inc. is 99% owned by Savvysherpa, LLC and the remaining 1% is owned by a number of individual shareholders.
- (56) Fortify Technologies Asia, LLC is 99% owned by Savvysherpa, LLC and the remaining 1% is owned by a number of individual shareholders.
- (57) Virtual Therapeutics Corporation is 67% owned by Savvysherpa, LLC and the remaining 33.4% is owned by an outside third party.
- (58) BriovaRx Infusion Services 301, LP is 99.95% owned by AxelaCare Holdings, Inc. with the remaining 0.05% interest as a limited partner being held by BriovaRx Infusion Services 305, LLC.
- (59) XLHealth Corporation holds 99.998%, UnitedHealth International, Inc. holds .002%.
- (60) Hospitais Associados de Pernambuco Ltda. is 99.99992% owned by Esho – Empresa de Serviços Hospitalares S.A. and the remaining 0.00008% is owned by Hospital Alvorada Taguatinga Ltda
- (61) Topimagem Diagnóstico por Imagem Ltda.is 99% owned by Esho – Empresa de Serviços Hospitalares S.A., and the remaining 1% interest is owned by external shareholders.
- (62) Dilab – Medicina Nuclear Ltda is 95% owned by Esho – Empresa de Serviços Hospitalares S.A. and the remaining 5% is owned by external shareholders.
- (63) WellMed Networks – DFW, Inc. is 50% owned by WellMed Networks, Inc. and 50% owned by USMD Inc. WellMed Medical Management, Inc. controls 100% of WellMed Networks - DFW.
- (64) Clinica Oftalmologica Danilo de Castro Sociedade Simples is 99.66% owned by Hospital Alvorada de Taguatinga Ltda. and the remaining 0.333333% is owned by Lotten-Eyes Oftalmologia Clínica e Cirurgica Ltda.
- (65) Lotten-Eyes Oftalmologia Clínica e Cirurgica Ltda. is 99.99% owned by Hospital Alvorada de Taguatinga Ltda.and the remaining 0.000012% is owned by Esho – Empresa de Serviços Hospitalares S.A.
- (66) CMO – Centro Médico de Oftalmologia S/S Ltda. is 99% owned by Hospital Alvorada de Taguatinga Ltda. and the remaining 1% is owned by Lotten-Eyes Oftalmologia Clínica e Cirurgica Ltda.
- (67) UHCG-FZE is registered in the Dubai Silicon Oasis free zone.
- (68) Elual Participações S.A. is 60% owned by Amil Assistência Médica Internacional S.A. and 40% by Esho – Empresa de Serviços Hospitalares S.A.

SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP  
PART 1 – ORGANIZATIONAL CHART

Notes

All legal entities on the Organization Chart are Corporations unless otherwise indicated.

- (69) Hospital Santa Helena S.A. is 65.21% owned by Elual Participações S.A. and 33.60% owned by Esho – Empresa de Serviços Hospitalares S.A. and 1.19% is owned by external shareholder
- (70) Santa Helena Assistência Médica S.A. is 77.30% owned by Elual Participações S.A. and The remaining 22.29222% is owned by Amil Assistência Médica Internacional S.A. and 0.40649% is owned by external shareholder.
- (71) Registered branches in Australia and the UK.
- (72) Hospital Ana Costa S.A. is 99.52% owned by Plano de Saúde Ana Costa Ltda., 0.375900% is owned by Hospital Alvorada de Taguatinga Ltda. and 0.104634107% is owned by external shareholders.
- (73) The remaining 42.50% is owned by multiple sources.
- (74) The remaining 0.0001% is owned by Amil Assistência Médica Internacional S.A.
- (75) The remaining 32.06% is owned by multiple sources.
- (76) Hospital Alvorada de Taguatinga Ltda. decreased its ownership in Casa de Saúde Santa Therezinha S.A. from 100% to 99.99%. The remaining 0.000001% is owned by Esho – Empresa de Serviços Hospitalares S.A.
- (77) The remaining 49% is owned by multiple sources.
- (78) The remaining 0.0005% is owned by Hospital Alvorada Taguatinga Ltda.
- (79) The remaining 37.75% is owned by multiple sources.
- (80) Registered in the Dubai Healthcare City free zone.
- (81) Hospital Alvorada Taguatinga Ltda. owns 99.99944% of Eye Clinic Oftalmologia Clínico Cirúrgica e Diagnóstico Ltda. and the remaining 0.00056% is owned by Lotten-Eyes Oftalmologia Clinica e Cirurgica Ltda.
- (82) Plano de Saúde Ana Costa Ltda. is 74.85961% owned by Amil Assistência Médica. Internacional S.A. and the remaining 25.14039% is owned by Santos Administração e Participações S.A.
- (83) OptumInsight, Inc. is registered as foreign shareholders in Brazil.
- (84) The remaining 49% is owned by multiple sources.
- (85) The remaining 27% is owned by multiple sources.
- (86) The remaining 37.26% is owned by multiple sources.
- (87) The remaining 49.59% is owned by multiple sources.
- (88) COI Clínicas Oncológicas Integradas S.A. owns 99.999997% of Instituto do Radium de Campinas Ltda. And the remaining 0.000003%) is owned by Esho – Empresa de Serviços Hospitalares S.A.
- (89) The remaining 49.28% is owned by multiple sources..
- (90) The remaining 23.55% is owned by multiple sources.
- (91) The remaining 38% is owned by multiple sources.
- (92) The remaining 1% is owned by multiple sources.
- (93) The remaining 44.97% is owned by multiple sources.
- (94) The remaining 38.80% is owned by multiple sources.
- (95) TBD
- (96) The remaining 9.51% is owned by multiple sources.
- (97) The remaining 45% is owned by multiple sources.
- (98) The remaining 49% is owned by multiple sources.
- (99) The remaining 49.15% is owned by multiple sources.
- (100) The remaining 45% is owned by multiple sources.
- (101) The remaining 30% is owned by multiple sources.
- (102) UnitedHealthcare International X S.á.r.l. holds 100% of the common shares, 403,948,524 common shares. UnitedHealthcare International III S.á.r.l. holds 100% of the preferred shares, 513,899,520 preferred shares.
- (103) The remaining 0.01% is held by UnitedHealth International, Inc.

- (104) The remaining 1% is owned by multiple sources.
- (105) The remaining 49.82% is owned by multiple sources.
- (106) The remaining 32.05% is owned by multiple sources.
- (107) The remaining 46.12% is owned by multiple sources.
- (108) The remaining 40.60% is owned by multiple sources.
- (109) The remaining 41.58% is owned by multiple sources.
- (110) The remaining 21.13% is owned by multiple sources.
- (111) The remaining 50% is owned by multiple sources.
- (112) The remaining 19.9% is owned by Nineteen.Nine Holdings, LLC.
- (113) The remaining 0.01% is owned by an individual shareholder.
- (114) The remaining 44.64% is owned by multiple sources.
- (115) The remaining 49% is owned by multiple sources.
- (116) The remaining 48.55% is owned by multiple sources.
- (117) The remaining 1% is owned by multiple sources.
- (118) The remaining 46.15% is owned by multiple sources.
- (119) The remaining 23% is owned by multiple sources.
- (120) The remaining 3% is owned by multiple sources.
- (121) TBD
- (122) The remaining 43% is owned by multiple sources.
- (123) TBD
- (124) The remaining 47.81% is owned by multiple sources.
- (125) The remaining 39.5% is owned by multiple sources.
- (126) The remaining 41% is owned by multiple sources.
- (127) The co-founders of Pacifica Labs, Inc. own the remaining 14.21%.
- (128) The remaining 50% is owned by multiple sources.
- (129) The remaining 41% is owned by multiple sources.
- (130) The remaining 50% is owned by multiple sources.
- (131) The remaining 40.68% is owned by multiple sources.
- (132) The remaining 51.50% is owned by multiple sources.
- (133) The remaining 49.9% is owned by multiple sources.
- (134) The remaining 13% is owned by multiple sources.
- (135) The remaining 34.87% is owned by multiple sources.
- (136) The remaining 46.48% is owned by multiple sources.
- (137) The remaining 41.20% is owned by multiple sources.
- (138) The remaining 35% is owned by multiple sources.
- (139) The remaining 48.06% is owned by multiple sources.
- (140) The remaining 46% is owned by multiple sources.
- (141) The remaining 45% is owned by multiple sources.
- (142) The remaining 43.31% is owned by multiple sources.
- (143) The remaining 49.02% is owned by multiple sources.
- (144) The remaining 47.36% is owned by multiple sources.
- (145) The remaining 37.92% is owned by multiple sources.
- (146) The remaining 27.47% is owned by multiple sources.
- (147) The remaining 45.46% is owned by multiple sources.
- (148) The remaining 41.33% is owned by multiple sources.
- (149) The remaining 27.25% is owned by multiple sources.
- (150) The remaining 49% is owned by multiple sources.
- (151) The remaining 45% is owned by multiple sources.
- (152) The remaining 26.31% is owned by multiple sources.
- (153) The remaining 26.96% is owned by multiple sources.
- (154) The remaining 40.35% is owned by multiple sources
- (155) The remaining 38.14% is owned by multiple sources.
- (156) The remaining 1% is owned by another source.
- (157) The remaining 20% is owned by an individual manager of the entity.

- (158-165) TBD
- (166) The remaining 30% is owned by multiple sources.
- (167) The remaining 49% is owned by multiple sources.
- (168) The remaining 49% is owned by multiple sources.
- (169) The remaining 50% is owned by multiple sources.
- (170) The remaining 38.62% is owned by multiple sources.
- (171) The remaining 45.21% is owned by multiple sources.
- (172) The remaining 49% is owned by multiple sources.
- (173-218) TBD
- (219) The remaining 49% is owned by multiple sources.
- (220) The remaining 50% is owned by multiple sources.
- (221) Hygeia Corporation, a Delaware corporation, acquired a 1.28978% ownership interest in FMG Holdings LLC, a Delaware limited liability company.
- (223) The remaining 40.48% is owned by multiple sources.
- (224) The remaining 49% is owned by multiple sources.
- (225) The remaining 48.7% is owned by multiple sources.
- (226) The remaining 36.13% is owned by multiple sources.
- (227) The remaining 49% is owned by multiple sources.
- (228) The remaining 49% is owned by multiple sources.
- (229) The remaining 35.75% is owned by multiple sources.
- (230) The remaining 74% is owned by multiple sources.
- (231) The remaining 49% is owned by multiple sources.
- (232) The remaining 46.55 is owned by multiple sources.
- (233) The remaining 49% is owned by multiple sources.
- (234) The remaining 26% is owned by multiple sources.
- (235) The remaining 29.29% is owned by multiple sources
- (236) The remaining 1.77% is owned by external shareholders.
- (237) The remaining 0.1% is owned by Inversiones Clínicas Santa María S.A.
- (238) Minority ownership is held by thid party shareholders. Corporate name is Inmobiliaria Santa María S.A.
- (239) The remaining 0.0001% is owned by Clínica Dávila y Servicios Médicos S.A.
- (240) Constructora Inmobiliaria Megapoq S.A owns 1 share.
- (241) The remaining 0.0001% is owned by Saden S.A.
- (242) Minority ownership is held by several third party shareholders.
- (243) In accordance to a capital increase executed on 2018, Clínica Santa María S.A. owns 99.9% of the shares. Minority ownership is held by Sociedad de Inversiones Santa María S.A.
- (244) The remaining 0.2569% is owned by Clínica Dávila y Servicios Médicos S.A.
- (245) The remaining 0.8238% is owned by Clínica Santa María S.A.
- (246) The remaining 0.009% is owned by Clínica Santa María S.A.
- (247) The remaining 0.10% is owned by Clínica Santa María S.A.
- (248) The remaining 50% is owned by Clínica Santa María S.A.
- (249) The remaining 1% is owned by Servicios Integrados de Salud Ltda.
- (250) The remaining 1% is owned by Servicios Integrados de Salud Ltda.
- (251) The remaining 0.1% is owned by Inmobiliaria Apoquindo 3600 Ltda.
- (252) The remaining 0.02% is owned by Saden S.A.
- (253) The remaining 0.0001% is owned by Saden S.A.
- (254) The remaining 0.159% is owned by Saden S.A.
- (255) The remaining 0.01% is owned by Saden S.A.
- (256) The remaining 0.01% is owned by Clínica Dávila y Servicios Médicos S.A.
- (257) The remaining 25.75% is owned by several third party shareholders.
- (258) The remaining 6.55% is owned by third party shareholders.
- (259) The remaining 0.1% is owned by Servicios Amed Quilpué S.A.

SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP  
PART 1 – ORGANIZATIONAL CHART

Notes

All legal entities on the Organization Chart are Corporations unless otherwise indicated.

- (260) The remaining 0.1% is owned by Laboratorios Médicos Amed Quilpué S.A.
- (261) The remaining 50% is owned by Gorki Osorio Vargas (25%) and Danilo Valderrama Torrealba (25%).
- (262) The remaining 0.1% is owned by Simón Sacks Link.
- (263) The remaining 15.5% is owned by third pary shareholders.
- (264) The remaining 6,66% is owned by Centromed Quilpué S.A.
- (265) The remaining 0.000065% is owned by Clínica Dávila y Servicios Médicos S.A.
- (266) The remaining 0.0001% is owned by Banmédica S.A.
- (267) The remaining 1% is owned by Saden S.A.
- (268) The remaining 0.0001% is owned by Banmédica S.A.
- (269) The remaining 1% is owned by Saden S.A.
- (270) The remaining 0.0001% is owned by Banmédica S.A.
- (271) The remaining 1% is owned by Saden S.A.
- (272) Inmobiliaria Megapoq S.A owns 1 share (0.0000%)
- (273) The remaining 7.62% is owned by Banmédica Colombia S.A. (7.619%), Juan Guillermo Ruiz (0.000142%) and Servicios Legales Corporativos Ltda. (0.000142%).
- (274) No information of the minority shareholder(s) has been provided.
- (275) No information of the minority shareholder(s) has been provided.
- (276) No information of the minority shareholder(s) has been provided.
- (277) No information of the minority shareholder(s) has been provided.
- (278) The other shareholder, with the other 50% is El Pacífico-Peruano Suiza Compañía de Seguros y Reaseguros S.A., part of the Credicorp Group
- (279) No information of the minority shareholder(s) has been provided.
- (280) No information of the minority shareholder(s) has been provided.
- (281) No information of the minority shareholder(s) has been provided.
- (282) No information of the minority shareholder(s) has been provided.
- (283) No information of the minority shareholder(s) has been provided.
- (284) No information of the minority shareholder(s) has been provided.
- (285) No information of the minority shareholder(s) has been provided.
- (286) The remaining 0.0001% is owned by Clínica Dávila y Servicios Médicos S.A.
- (287) The remaining 0.00004% is owned by Saden S.A.
- (288) The remaining 0.00004% is owned by Saden S.A.
- (289) The remaining 0.0017% is owned by Saden S.A.
- (290) The remaining 0.0001% is owned by Saden S.A.
- (291) The remaining 0.08% is owned by Clínica Dávila y Servicios Médicos S.A.
- (292) The remaining 50% is owned by CDC Holdings Colombia S.A.S.
- (293) No information of the other shareholder(s) has been provided.
- (294) The remaining 0.3% is owned by Inmobiliaria Apoquindo 3001 S.A.

- (294) Inmobiliaria Megapoq S.A owns 1 share (0,0000%)
- (295) The remaining 0.0001% is owned by Saden S.A.
- (296) The remaining 0.0008% is owned by Vida Tres Internacional S.A.
- (297) The remaining 0.01% is owned by Saden S.A.
- (298) The remaining 50% is owned by CDC Holdings Colombia S.A.S.
- (299) No information of the other shareholder(s) has been provided
- (300) No information of the other shareholder(s) has been provided
- (301) Banmédica S.A. owns 9.67% and Promotora del Country S.A. (Colombia) owns 0.23%. This Patrimony has two business units (Conuntry and Hill).
- (302) The remaining 50% is owned by CDC Holdings Colombia S.A.S.
- (303) The remaining 46.55% is owned by multiple sources.
- (304) The remaining 49% is owned by multiple sources
- (305) The remaining 27.47% is owned by multiple sources
- (306) The remaining 49% is owned by multiple sources
- (307) The remaining 50% is owned by multiple sources.
- (308) The remaining 36.99% is owned by multiple sources.
- (309) The remaining 44.64% is owned by multiple sources.
- (310) The remaining 19.9% is owned by an external third party.
- (311) The remaining 42% is owned by OptumRx Health Solutions, LLC.
- (312) The remaining 45.7% is owned by multiple sources.
- (313) The remaining 18.24 is owned by multiple sources.
- (314) The remaining 41.01 is owned by multiple sources.
- (315) This entity has numerous direct and indirect subsidiaries domiciled in several different states. Certain of these entities were divested and certain others had (or have planned) name changes, internal reorganizations and/or changes in legal entity formation. Given the complicated and developing nature of this situation, additional details will be forthcoming.
- (316) The remaining 20.41% is owned by multiple sources.
- (317) The remaining 33% is owned by multiple sources.
- (318) The remaining 50% is owned by an outside third party.
- (319) The remaining 28.75% is owned by an outside third party.
- (320) The remaining 33% is owned by an outside third party.
- (321) The remaining 1% is owned by an outside third party.
- (322) The remaining 15% is owned by an outside third party.
- (323) UnitedHealth Group International Holdings I Inc. has the following ownership: UHG – 70.60366 ordinary shares AND 100 shares of Series A Preferred Stock; FMG Holdings, LLC – 29.39634 ordinary shares

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Golden Rule Insurance Company

OVERFLOW PAGE FOR WRITE-INS

Additional Write-ins for Liabilities Line 25

	1 Current Year	2 Prior Year
2504. Fines and Penalties .....	40,000	75,000
2597. Summary of remaining write-ins for Line 25 from overflow page	40,000	75,000

Additional Write-ins for Exhibit 2 Line 9.3

	Insurance				5	6	7
	1	Accident and Health		4			
		2	3				
	Life	Cost Containment	All Other	All Other Lines of Business	Investment	Fraternal	Total
09.304. Professional Fees .....	27,165	2,442,948	18,922,809	0	0	0	21,392,922
09.305. Training/Recruiting .....	747	67,153	520,164	0	0	0	588,064
09.397. Summary of remaining write-ins for Line 9.3 from overflow page	27,912	2,510,101	19,442,973	0	0	0	21,980,986

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ANNUAL STATEMENT BLANK (Continued)

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